CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

Research and development in the United Kingdom in 1983.
Measuring public expenditure

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Release dates of economic statistics to be published in September 1985

This is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the publication dates of major economic series in September 1985. The dates are targets which are correct at time of going to press. Exceptionally, there may be delays due to unavoidable statistical problems. Enquiries about release of individual series should be made to the source named.

Publication date	Series	Method of release	Source
September			
Mon 2	CBI Monthly Trends Enquiry (August)	PN	CBI
	Food Facts (2nd quarter)	PN	MAFF
Tues 3	UK official reserves (August)	PN	HMT
	Credit business (July)	PN	DTI
	Retail Sales (July – final)		
	Capital issues and redemptions (during the month of August)	PN	Bank of England
Wed 4	Housing starts and completions (July)	PN	DOE
	House renovations (2nd quarter)		
	Advance energy statistics (July)	PN	Dept of Energy
Thur 5	UK Balance of Payments (2nd quarter)	PN	CSO
Fri 6	United Kingdom National Accounts 1985 edition (CSO Blue Book)	AV	CSO
Mon 9	Retail Sales (August – provisional)	PN	DTI
	Producer price index numbers (August – provisional)		
Tues 10	Provisional estimates of monetary aggregates (mid-August)	PN	Bank of England
	London clearing banks' monthly statement (mid-August)	PN	CLCB
Thur 12	Capital expenditure by the manufacturing and service industries (2nd quarter – revised)	PN	DTI
	Manufacturers' and distributors' stocks (2nd quarter – revised)		
	Provisional figures of vehicle production (August)		
Fri 13	Tax and price index (August)	PN	CSO
	Retail prices index (August)	PN	DE
	Usable steel production (August)	PN	BSC/BISPA
	Construction – output (2nd quarter)	PN	DOE
	Building Societies' monthly figures (August)	PN	BSA
Sun 15	Dept. for National Savings' monthly progress report (August)	PN	Dept for National Savings
Mon 16	Index of output of the production industries (July)	PN	CSO
Tues 17	Public sector borrowing requirement (August)	PN	HMT/CSO
Wed 18	Average earnings indices (July – provisional); employment, hours and unit wage costs	PN	DE
Thur 19	CBI/FT survey of distributive trades (end-August)	PN	CBI
	London sterling certificates of deposit (August)	PN	Bank of England
	UK banks assets and liabilities and the money stock (mid-August)		
Fri 20	Gross Domestic Product (2nd quarter – provisional)	PN	CSO
	Cyclical indicators for the UK economy (August)		
Fri 20	Sales and orders in the engineering industries (June)	*British business*	DTI
Mon 23	CBI Monthly Trends Enquiry (September)	PN	CBI
Wed 25	Detailed analysis of employment, unemployment, earnings, prices and other indicators	EG	DE
	Construction – new orders (July)	PN	DOE
	Balance of payments current account and overseas trade figures (August)	PN	DTI/CSO
Thur 26	Personal income expenditure and saving (2nd quarter)	PN	CSO
	Industrial and commercial companies appropriation account (2nd quarter)		
	Overseas travel and tourism (July)	PN	DTI
	Energy Trends (July)	PN	Dept of Energy
	New vehicle registrations (August)	PN	DTP
Mon 30	Credit business (August)	PN	DTI
	Retail Sales (August – final)		

PN = Press Notice

CENTRAL STATISTICAL OFFICE

Economic Trends

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Introduction

Economic Trends brings together all the main economic indicators. It contains three regular sections of tables and charts illustrating trends in the UK economy:

'Latest developments' presents the most up-to-date statistical information available during the month. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier.

The main section is based on information available to the CSO on the date printed at the foot of this page and shows the movements of the key economic indicators. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

The section on cyclical indicators shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 22 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Changes in this issue

The chart on page 31 now includes sales data for the engineering industries. The lower table on page 56 now shows the latest three months for the PSBR.

Notes on the tables

1. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.
2. Some data, particularly for the latest time period, are provisional and may be subject to revision in later issues.
3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.
4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.
5. 'Billion' denotes one thousand millions.
6. There may sometimes be an inconsistency between a table and the corresponding chart, because the data may be received too late to update the chart. In such cases it should be assumed that the table is correct.
7. Symbols used:
   - .. not available
   - \- nil or less than half the final digit shown
   - \+ alongside a heading indicates a series for which measures of variability are given on page 81.
   - † indicates that the data has been revised since last issue; the period marked is the earliest in the table to have been revised.

CSO Databank

At the top of each column of figures in the tables the appropriate CSO Databank identifier consisting of a code of four letters is shown. This is to facilitate access to the data in computer readable form and make available longer runs of data than appear in many tables.

The CSO databank is a collection of macro-economic time-series on sale to the public. The service is run on CSO's behalf by SIA Computer Services, further details of which can be obtained from SIA Computer Services, Ebury Gate; 23 Belgrave Street, London SW1W 0NW, tel: 01-730-4544.

The Editor would welcome readers' suggestions for improvements to Economic Trends

Central Statistical Office, 23 August 1985

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Latest developments in the economy[1]

Data available at 27 August 1985

Unemployment and vacancies

The level of United Kingdom unemployment (excluding school leavers) in July was 3,175,000, an increase of 7,000 over June and 126,000 over July 1984. The stock of unfilled vacancies at Jobcentres increased by 5,000 between June and July to 180,000, 16,000 higher than in July 1984. There are probably about 475,000 to 575,000 vacancies in the economy as only about one-third are notified to Jobcentres.

The total number of people covered by the special employment and training measures in Great Britain at the end of June is estimated to be 600,000. The actual effect on the unemployment count however will be less for a number of reasons; for example, not all those assisted would have been entitled to claim benefits. The estimated direct effect of these measures at the end of June was that about 420,000 people were in jobs, training or early retirement instead of claiming unemployment benefit.

Official reserves and exchange rate (not seasonally adjusted)

The UK official reserves fell by $62 million in July to $14,256 million. Accruals of borrowing under the exchange cover scheme amounted to $215 million; repayments of such borrowing amounted to $164 million. The valuation change arising out of the quarterly rollover of the EMCF swap amounted to a decrease of $104 million.

Up to 27 August, the average Exchange Rate Index for August was 2.0 per cent lower than in July.

Consumers' expenditure

The provisional estimate of the index of the volume of retail sales in July was 116.1 (1980=100), about the same level as in June. In the three months May to July, the level of sales was 2 per cent higher than in the previous three months and nearly 5 per cent higher than in the corresponding period a year earlier.

Earnings

The whole economy index of average earnings of employees in Great Britain in June was 170.3 (January 1980=100), a rise of 0.4 per cent over May and 9.2 per cent higher than in June 1984. The underlying increase in average weekly earnings in the year to June was about 7¼ per cent, similar to the increase in the year to May. The actual increase in the year to June was substantially higher than the estimated underlying increase primarily because industrial action in the coal industry temporarily reduced average earnings in June 1984. In addition back pay in June this year was higher than in June last year.

In production industries, the underlying increase in average weekly earnings in the year to June was about 8¼ per cent, similar to the increase in the year to May; in manufacturing industries the increase was about 9 per cent, also similar to the increase in the year to May.

Capital expenditure

The provisional estimate of capital expenditure by the manufacturing, construction, distribution and financial industries in the second quarter of 1985 is £4,459 million, at 1980 prices, nearly 14 per cent lower than in the preceding quarter, but around 3 per cent higher than the quarterly average for 1984. The large decrease in the second quarter nearly offset the exceptionally large increase in the first quarter which was mainly accounted for by finance leasing. Expenditure in the last six months was 8 per cent above that in the preceding six months.

The provisional estimate of manufacturers' investment in the second quarter of 1985 (taking into account leasing of assets to manufacturers from the financial industries) is £1,705 million, nearly 8 per cent lower than the value recorded in the previous quarter, but around 7 per cent higher than the quarterly average for 1984. Comparison on a six-monthly basis shows a rise of 8 per cent on the previous six months. On the same basis, expenditure on individual assets shows rises of nearly 15 per cent for new building work, more than 6½ per cent for plant and machinery and 14 per cent for vehicles.

Investment by construction, distribution and financial industries (excluding leasing to manufacturers) in the second quarter of 1985 is £2,754 million, about 17 per cent below the level in the preceding quarter. Comparison on a six-monthly basis shows a rise of more than 7½ per cent on the previous six months. On the same basis, expenditure on individual assets rose by over 20 per cent for vehicles, and by 12 per cent for plant and machinery but fell by nearly 7 per cent for new building work.

Stockbuilding

Provisional figures indicate that the level of stocks held by manufacturers, wholesalers and retailers fell by around £35 million at 1980 prices in the second quarter of 1985. Manufacturers increased their stockholding by about £120 million following a sharp reduction in stocks of around £380 million in the previous quarter. The level of wholesalers' stocks fell by about £100 million after destocking of around £55 million in the first quarter. The reduction in retailers' stocks, of around £55 million, was almost identical to that in the previous quarter.

Within manufacturing, there was a small fall in the stocks of materials and fuel of almost £25 million following a similar amount of destocking in the first quarter. Work in progress rose by about £35 million following a large fall of around £305 million in the first quarter. Stocks of finished goods increased by about £105 million after destocking of £55 million in the previous quarter. The stock/output ratio fell slightly from 92.3 at the end of March to 92.1 at the end of June.

1. All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Stocks in the energy and water supply industries fell by around £90 million in the first quarter of 1985.

Financial aggregates

During banking July (4 weeks to 17 July), M0 (average of weekly levels) rose by £60 million, or 0.4 per cent, and £M3 fell by by £800 million, or 0.7 per cent from an upward revised June level. In the latest 12 months M0 has risen by 5.1 per cent and £M3 by 12.1 per cent. M2 (not seasonally adjusted) fell by £750 million, or 0.5 per cent while PSL2 rose by £280 million, or 0.1 per cent in banking July.

Amongst the counterparts to the change in £M3, the net effect of public sector transactions was contractionary by £950 million. The central government was in surplus by £90 million and the direct contribution of local authorities and public corporations to the public sector borrowing requirement (net of non-bank private sector purchases of their debt) was also contractionary by £420 million. The non-bank private sector's net purchases of central government debt totalled £450 million.

Sterling lending to the private sector rose by £1,530 million. The sterling value of private sector foreign currency deposits fell by £620 million, comprising an increase of £750 million reflecting transactions and a fall of £1,370 million reflecting the estimated change in the sterling value of the existing stock.

Prices (not seasonally adjusted)

The retail prices index for July was 375.7 (January 1974=100), a decrease of 0.2 per cent on June and an increase of 6.9 per cent on July 1984. The tax and price index (TPI) for July was 191.3 (January 1978=100), 6.3 per cent higher than July 1984.

The price index for materials and fuel purchased by manufacturing industry fell by 2.0 per cent between June and July. About half of this fall was attributable to lower prices for home-produced and imported food materials and about half to lower prices for imported non-food materials. Prices of imported materials were influenced by the appreciation of sterling. The index showed no change in the twelve months ended July, after having risen by 1.7 per cent over the twelve months ended June.

The price index for home sales of manufactured products rose by 0.3 per cent between June and July. This increase was spread across most industries. The increase in the index measured over a twelve-month period was little changed in July at 5.7 per cent as compared with 5.6 per cent in June.

Output

Preliminary estimates suggest that output of the whole economy rose by about ¾ per cent between the first and second quarters of 1985 and was nearly 4 per cent above its level of a year earlier. The output index for the production industries rose by 2 per cent, largely reflecting a 6 per cent increase in energy and water supply (and in particular the recovery in coal output). Distribution output rose slightly, returning to its level of the final quarter of 1984.

In the second quarter the after-effects of the coal strike are estimated to have reduced the output measure by about ¼ per cent. This compares with effects of 1 per cent in the first quarter of 1985 and 1¼ per cent in each of the preceding three quarters. After adjusting for these effects, the output measure of GDP showed little change between the first and second quarters of 1985 but was 3 per cent above its level of the second quarter of 1984.

Balance of payments

The current account for July is estimated to have been in surplus by £444 million compared with a surplus of £284 million in June. In the three months ended July, the current account showed a surplus of £1.5 billion compared with a deficit of £0.5 billion in the previous three months. Visible trade was broadly in balance in the latest three months compared with a deficit of £1.5 billion in the previous three months. The surplus on invisibles is projected at £1.5 billion.

There was a deficit on visible trade in July of £56 million compared with a deficit of £216 million in June. Exports in July were 3 per cent lower than in June while imports were 5½ per cent lower.

Total export volume fell by 2 per cent in the latest three months to be 9 per cent higher than a year earlier. There are some signs that the underlying level of non-oil export volume may have fallen slightly in recent months.

By volume, imports fell by 6 per cent to a level 6 per cent higher than a year earlier. The underlying level of non-oil import volume continues to show little change.

Selected monthly indicators (1)

		Seasonally adjusted					Unadjusted					Seasonally adjusted	
		1980=100	1980=100	Thousands		January 1980=100	1980=100	January 1974=100	January 1978=100	1975=100	$ billion	£ million	
		Volume of retail sales GB(2,3,4)+	Total production industries	Unemployment (5,6,7)+	Vacancies(8)+	Average earnings - whole economy GB(9)	Producer price of materials and fuel(10)	Retail price index (all items)	Tax and price index	Sterling exchange rate index	UK official reserves(11)	Balance of payments: Current balance	Money stock £M3
		DKCD	DVGY	BCJD	DPAK	DNAB	DZBR	CBAB	BSAA	AJHT	FOAB	AIMD	AGBO
1984	M	109.3	101.7	3 026.2†	155.7	156.0	134.5	351.0	179.6	80.0	15.8	25	102 241
	J	110.6	102.8	3 031.8	158.7	156.0	134.4	351.9	180.1	79.4	15.5	164	103 986
	J	110.9	101.8	3 049.4	164.2	158.2	134.0	351.5	179.9	78.4	15.4	213	103 367
	A	109.7	102.0	3 066.3	161.6	159.0	133.2	354.8	181.8	78.4	15.3	-214	104 049
	S	112.3	103.2	3 090.6	169.6	160.2	135.2	355.5	182.2	77.3	15.3	-510	105 337
	O	112.0	103.1	3 093.6	170.5	164.5	137.9	357.7	183.5	75.6	15.4	112	105 795
	N	112.7	103.2	3 097.1	167.6	162.0	139.2	358.8	184.1	75.7	15.5	213	106 119
	D	115.6	103.8	3 106.4	161.3	163.5	143.4	358.5	183.9	74.0	15.7	47	106 484
1985	J	111.6	105.1†	3 123.9	157.2	165.5	145.5	359.8	184.7	71.5	15.5	402	109 592
	F	112.0	105.0	3 144.0	156.1	166.5	147.8†	362.7	186.4	71.3	15.4	207	109 919
	M	113.8	106.5	3 148.0	159.2	168.3	145.6	366.1	188.4	73.4	13.5	-488	110 877
	A	114.1	107.6	3 176.2	166.7	170.6	140.8	373.9	190.2	78.0	14.0	223	114 129
	M	114.6	108.2	3 177.0	167.1	169.7†	138.8	375.6	191.2	78.8	14.0	724	114 661
	J	116.0†	107.6	3 168.9	174.8	170.3	136.7	376.4	191.7	79.9	14.3	257†	117 268†
	J	116.1		3 175.4	179.7†		134.0	375.7†	191.3†	83.3†	14.2†		116 425
		Percentage change, latest three months on previous three months											
1984	M	+0.8	-2.1	+1.3	+1.0	+0.5	+0.5	+1.6	..	-2.3	..	..	+2.2
	J	+2.3	-1.9	+0.9	+5.0	+0.7	+0.5	+2.0	..	-2.4	..	..	+2.4
	J	+1.2	-1.4	+0.9	+8.6	+0.9	+0.4	+1.5	..	-2.2	..	..	+2.5
	A	+1.1	-0.4	+1.1	+7.5	+1.5	+0.1	+1.2	..	-2.0	..	..	+2.2
	S	+0.7	-0.1	+1.5	+7.2	+2.1	-0.1	+0.9	..	-2.2	..	..	+1.7
	O	+1.0	+0.7	+1.6	+4.8	+2.9	+0.8	+1.3	..	-2.7	..	..	+1.8
	N	+1.8	+0.9	+1.5	+4.8	+2.9	+2.7	+1.3	..	-3.2	..	..	+2.5
	D	+2.2	+1.0	+1.0	+0.8	+2.6	+4.5	+1.2	..	-3.8	..	..	+3.1
1985	J	+1.8	+1.2	+0.8	-3.1	+1.5	+5.4	+0.9	..	-4.4	..	..	+3.5
	F	+0.7	+1.4	+1.0	-6.5	+1.8	+5.9	+0.8	..	-5.2	..	..	+2.7
	M	-0.9	+2.1	+1.3	-5.4	+2.1	+4.4	+1.3	..	-4.0	..	..	+2.5
	A	-	+2.2	+1.5	-0.8	+2.9	+1.4	+2.4	..	+0.7	..	..	+2.7
	M	+1.0	+2.7	+1.4	+3.9	+2.6	-2.6	+3.2	..	+6.2	..	..	+3.6
	J	+2.2	+2.1	+1.1	+7.6	+2.1	-5.2	+3.4	..	+9.5	..	..	+4.7
	J	+2.0		+0.6	+8.2		-5.7	+2.3	..	+8.7	..	..	+4.0
		Percentage change, latest three months on corresponding period of previous year											
1984	M	+2.6	+2.2	+4.4	+14.9	+5.5	+8.2	+5.2	+4.2	-2.4	..	..	+8.9
	J	+3.2	+2.0	+3.8	+12.5	+5.4	+8.6	+5.1	+4.1	-5.4	..	..	+8.6
	J	+3.1	+0.9	+3.7	+11.0	+5.2	+8.6	+4.9	+3.8	-6.7	..	..	+8.3
	A	+3.3	+0.5	+3.9	+5.9	+5.5	+8.0	+4.9	+3.7	-7.4	..	..	+8.2
	S	+3.3	-0.4	+4.4	+2.9	+5.8	+7.5	+4.7	+3.5	-8.1	..	..	+8.2
	O	+3.2	-0.2	+4.8	+1.2	+6.8	+7.7	+4.9	+3.7	-8.7	..	..	+8.4
	N	+3.2	-0.2	+5.0	+1.9	+7.0	+8.5	+4.9	+3.7	-9.3	..	..	+9.3
	D	+3.8	-0.5	+5.0	+3.1	+7.1	+9.2	+4.8	+3.6	-9.7	..	..	+9.6
1985	J	+4.2	-0.5	+5.0	+4.7	+6.7	+9.1	+4.8	+3.6	-10.8	..	..	+10.1
	F	+4.3	-0.2	+4.9	+6.3	+6.9	+9.4	+5.0	+3.8	-12.1	..	..	+10.0
	M	+4.4	+1.1	+4.8	+7.3	+7.7	+9.5	+5.5	+4.4	-11.8	..	..	+10.0
	A	+4.0	+2.7	+4.9	+9.4	+8.5	+8.3	+6.2	+5.2	-8.4	..	..	+10.9
	M	+4.5	+4.7	+5.0	+9.3	+9.1	+5.9	+6.7	+6.0	-4.4	..	..	+11.5
	J	+4.3	+5.3	+5.0	+10.0	+9.1	+3.4	+7.0	+6.4	-1.1	..	..	+12.5
	J	+4.8		+4.5	+9.0		+1.8	+7.0	+6.4	+1.8	..	..	+12.5

1 Data given may not be wholly consistent with that shown elsewhere in the publication.
2 This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
3 Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods.
4 The retail sales index has been rebased using detailed information for1982.
5 Unemployed excluding school leavers.
6 The seasonally adjusted series have been revised as described in the December 1982 Employment Gazette. The series have been updated at March 1985 and revisions made back to January 1982 incorporating a few technical improvements.
7 See footnote 4 on page 36.
8 Vacancies notified to job centres. Figures were distorted in April and May 1985 due to a change in administrative arrangements leading to an artificial increase in April. Figures for May should be minimally affected.
9 The seasonal adjustment factors currently used are based on data up to December 1982.
10 Purchased by manufacturing industry. (Revised definition)
11 See footnote 2 on page 50.

National accounts aggregates (1)

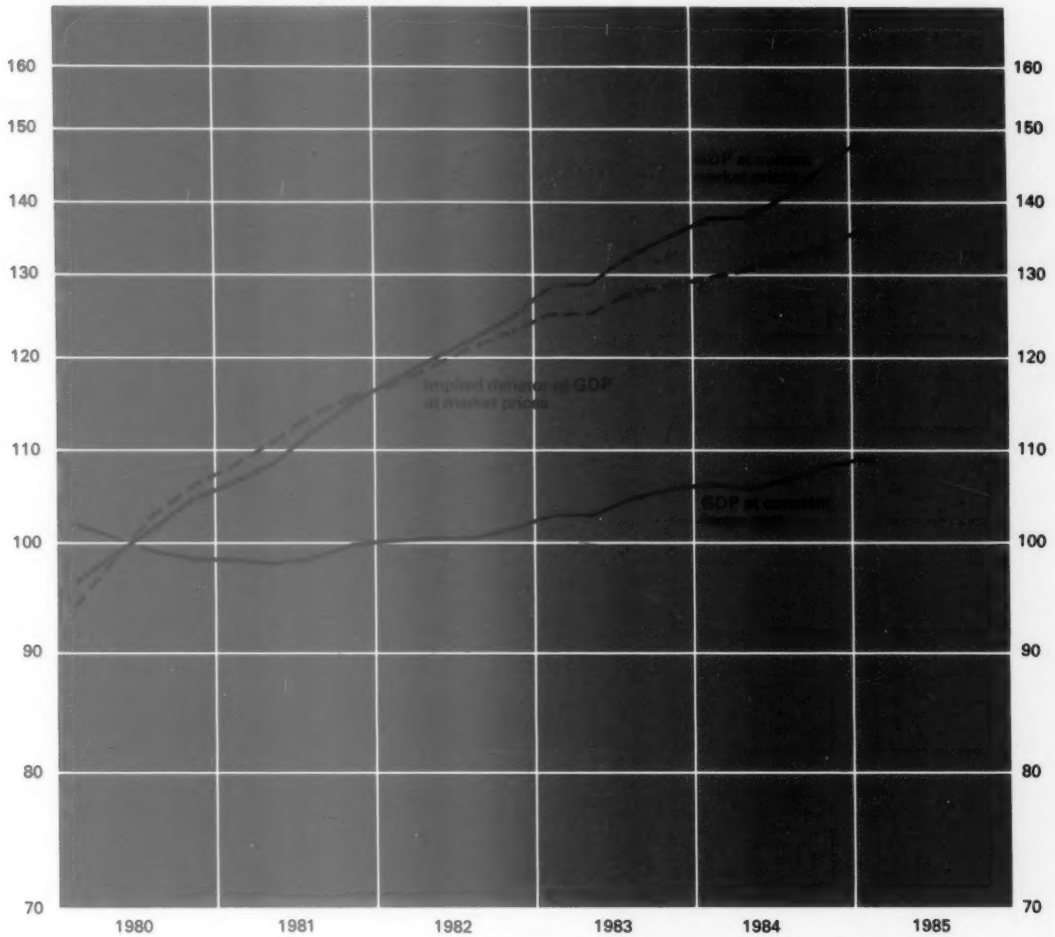
Seasonally adjusted

		Gross domestic product: At market prices: At current prices: £ billion	Gross domestic product: At market prices: At current prices: 1980=100 based on expenditure data	Gross domestic product: At market prices: At 1980 prices: 1980=100 based on average estimate	Gross domestic product: At factor cost: At current prices: £ billion(2) based on expenditure data	Gross domestic product: At factor cost: At current prices: £ billion(2) based on income data	Gross domestic product: At factor cost: At 1980 prices: 1980=100 based on average estimate*	Gross domestic product: At factor cost: At 1980 prices: 1980=100 based on expenditure data*	Gross domestic product: At factor cost: At 1980 prices: 1980=100 based on income data(3)*	Gross domestic product: At factor cost: At 1980 prices: 1980=100 based on output data*	National disposable income at 1980 market prices: 1980=100 average estimate	Implied gross domestic product deflator 1980=100: At factor cost: based on expenditure data(4)	Implied gross domestic product deflator 1980=100: At market prices: based on expenditure data
		FNAA	DJDM	FNAC	FNAD	FNAE	DJDB	DJDF	DJDC	DIAX	DJCR	DJCI	DJDU
1975		106.3	46.0	91.7	95.8	94.7	92.1	92.6	91.8	92.0	90.2	52.0	50.2
1976		126.8	54.3	94.3	113.8	110.6	94.6	96.2	93.8	93.9	92.5	59.4	57.6
1977		145.9	63.3	96.4	129.1	128.8	97.0	97.2	97.3	96.5	93.9	66.7	65.6
1978		168.0	73.0	100.0	148.7	148.0	100.0	100.1	100.0	99.9	98.6	74.6	72.9
1979		196.4	85.7	102.6	171.0	171.0	102.4	102.0	102.3	103.0	101.8	84.2	83.5
1980		230.0	100.0	100.0	199.1	198.5	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981		253.8	110.1	98.5	217.6	216.4	98.6	98.8	98.6	98.3	99.5	110.6	111.8
1982		277.0	120.8	100.8	235.5	237.3	100.6	100.3	101.4	100.2	101.4	117.9	119.8
1983		300.7	131.0	103.8	257.1	258.5	103.6	103.4	104.3	103.1	104.8	124.8	126.1
1984		318.4	139.9	106.5	273.1†	280.4	106.4	105.0	106.2	105.9	107.1	130.6	131.4
		FNAM	DJCL	FNAO	FNAP	FNAQ	DJDD	DJDE	DIAR	DSAE	DJDN	DJCM	DJDT
1980	1	54.7	95.8	102.3	47.2	47.5	102.0	101.2	102.1	102.6	101.7	93.7	93.6
	2	56.1	98.7	100.5	48.4	49.6	100.6	99.3	101.9	100.6	100.0	97.9	98.2
	3	58.9	101.5	98.8	51.2	50.0	99.1	100.2	98.1	99.1	99.0	102.6	102.7
	4	60.4†	104.1	98.5	52.3	51.4	98.3	99.3	97.8	97.7	99.4	105.8	105.7
1981	1	61.8	106.0	98.2	53.5	51.9	98.2	99.8	97.2	97.6	100.2	107.7	108.0
	2	62.7	108.2	97.6	53.8	52.8	97.9	98.7	•97.2	97.8	98.8	109.5	110.8
	3	63.6	111.8	98.6	54.3	55.1	98.4	97.3	99.1	98.9	98.9	112.1	113.3
	4	65.7	114.6	99.6	56.0	56.6	99.7	99.4	100.9	98.9	100.2	113.1	115.1
1982	1	67.4	117.2	100.4	56.9	57.2	100.1	100.1	100.9	99.3	101.2	114.2	116.7
	2	68.5	119.7	100.6	58.4	59.0	100.5	100.0	101.4	100.1	100.6	117.3	118.9
	3	69.5	122.0	100.7	59.0	60.0	100.5	99.4	101.4	100.7	101.2	119.3	121.2
	4	71.6	124.3	101.5	61.2	61.1	101.4	101.6	101.8	100.8	102.7	120.9	122.5
1983	1	74.0	128.1	102.8	63.2	62.9†	102.6	103.1	102.9	101.8	104.4	123.1	124.6
	2	73.4	128.6	103.0	62.5	63.6	102.6	101.9	104.0	102.1	102.9	123.3	124.7
	3	76.1	132.5	104.3	65.3	65.3	104.1	104.0	104.3	103.9	106.0	126.0	127.1
	4	77.2	134.8	105.2	66.1	66.8	105.2	104.7	106.1	104.8	106.1	126.8	128.1
1984	1	78.6	137.3	105.9	67.6†	68.6	105.9	105.4	107.2	105.2	106.7	128.9	129.6
	2	78.2	137.6	105.6	67.1	68.6	105.2	103.8	106.5	105.2	106.0	129.9†	130.4
	3	79.3	140.6	106.5	67.8	70.7	106.4	104.0	106.8	106.3	106.8	131.0	132.0
	4	82.3	144.4†	108.1†	70.5	72.5	108.1†	106.9	110.3†	107.0	109.0†	132.6	133.6†
1985	1	84.2	148.4	109.1	72.6	74.9	109.1	107.5†	111.2	108.6† 109.3	108.9	135.7	136.0
	2												
		Percentage change, quarter on corresponding quarter of previous year											
1980	1	+22.4	+22.3	+1.9	+20.1	+20.6	+2.2	+2.2	+2.3	+1.9	+1.9	+17.7	+20.0
	2	+16.6	+17.5	-3.7	+14.7	+17.8	-2.9	-3.8	-1.3	-3.8	-3.0	+19.1	+22.1
	3	+15.7	+14.6	-3.9	+16.4	+14.2	-4.0	-2.9	-4.8	-4.0	-3.3	+19.7	+19.3
	4	+14.6	+13.0	-4.5	+14.9	+12.5	-4.7	-3.1	-5.3	-5.8	-2.7	+18.6	+18.4
1981	1	+13.0	+10.6	-4.0	+13.3	+9.3	-3.7	-1.4	-4.8	-4.9	-1.5	+14.9	+15.4
	2	+11.8	+9.6	-2.9	+11.2	+6.5	-2.7	-0.6	-4.6	-2.8	-1.2	+11.8	+12.8
	3	+8.0	+10.1	-0.2	+5.1	+10.2	-0.7	-2.9	+1.0	-0.2	-0.1	+9.3	+10.3
	4	+8.8	+10.1	+1.1	+7.1	+10.1	+1.4	+0.1	+3.2	+1.2	+0.8	+8.9	+8.9
1982	1	+9.1	+10.6	+2.2	+6.4	+10.2	+1.9	+0.3	+3.8	+1.8	+1.0	+8.0	+8.1
	2	+9.3	+10.6	+3.1	+8.6	+11.7	+2.7	+1.3	+4.3	+2.4	+1.8	+7.1	+7.3
	3	+9.3	+9.1	+2.1	+8.7	+8.9	+2.1	+2.1	+2.3	+1.8	+2.3	+8.4	+7.0
	4	+9.0	+8.5	+1.9	+9.3	+8.0	+1.7	+2.2	+0.9	+2.0	+2.5	+8.9	+8.4
1983	1	+9.8	+9.3	+2.4	+11.1	+10.0	+2.5	+3.0	+2.0	+2.5	+3.2	+7.8	+6.8
	2	+7.2	+7.4	+2.4	+7.0	+7.8	+2.1	+1.9	+2.6	+1.9	+2.3	+5.1	+4.9
	3	+9.5	+8.6	+3.8	+10.7	+8.8	+3.6	+4.6	+2.9	+3.2	+4.7	+5.6	+4.9
	4	+7.8	+8.4	+3.6	+8.0	+9.3	+3.7	+3.1	+4.2	+4.0	+3.3	+4.9	+4.8
1984	1	+6.2	+7.2	+3.0	+7.0	+9.1	+3.2	+2.3	+4.2	+3.4	+2.2	+4.7	+4.0
	2	+6.5	+7.0	+2.5	+7.4	+7.9	+2.5	+1.9	+2.4	+3.1	+3.0	+5.4	+4.6
	3	+4.2	+6.1	+2.1	+3.8	+8.3	+2.2	–	+4.3	+2.3	+0.8	+4.0	+3.9
	4	+6.6	+7.1	+2.8	+6.7	+8.5	+2.8	+2.1	+4.0	+2.1	+2.7	+4.6	+4.3
1985	1	+7.1	+8.1	+3.0	+7.4	+9.2	+3.0	+2.0	+3.7	+3.2 +3.9	+2.1	+5.3	+4.9
	2												

1 The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
2 Figures in £ million are given on page 14.
3 Income data deflated by the implied GDP deflator at factor cost.
4 Also known as the index of total home costs.

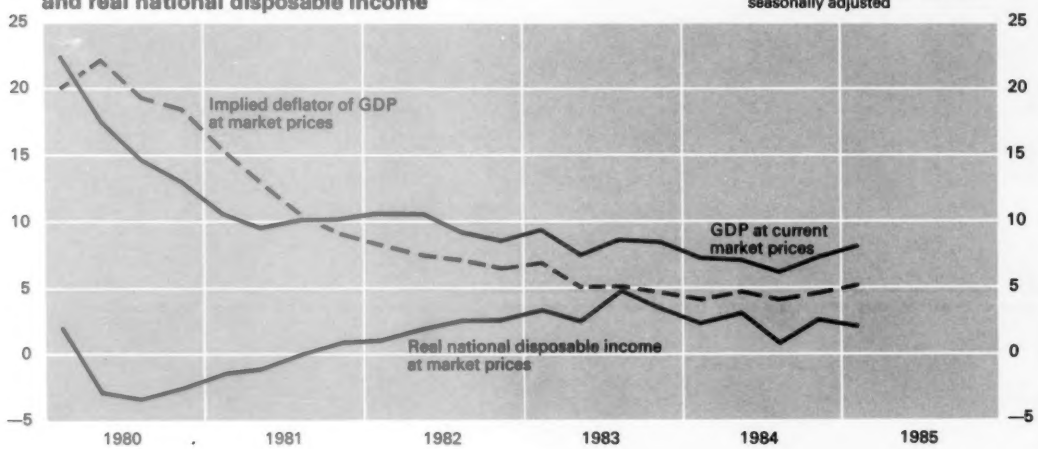
Gross domestic product (average measure)

1980=100 seasonally adjusted
log scale



Gross domestic product (average measure) and real national disposable income

Percentage change on year earlier
seasonally adjusted



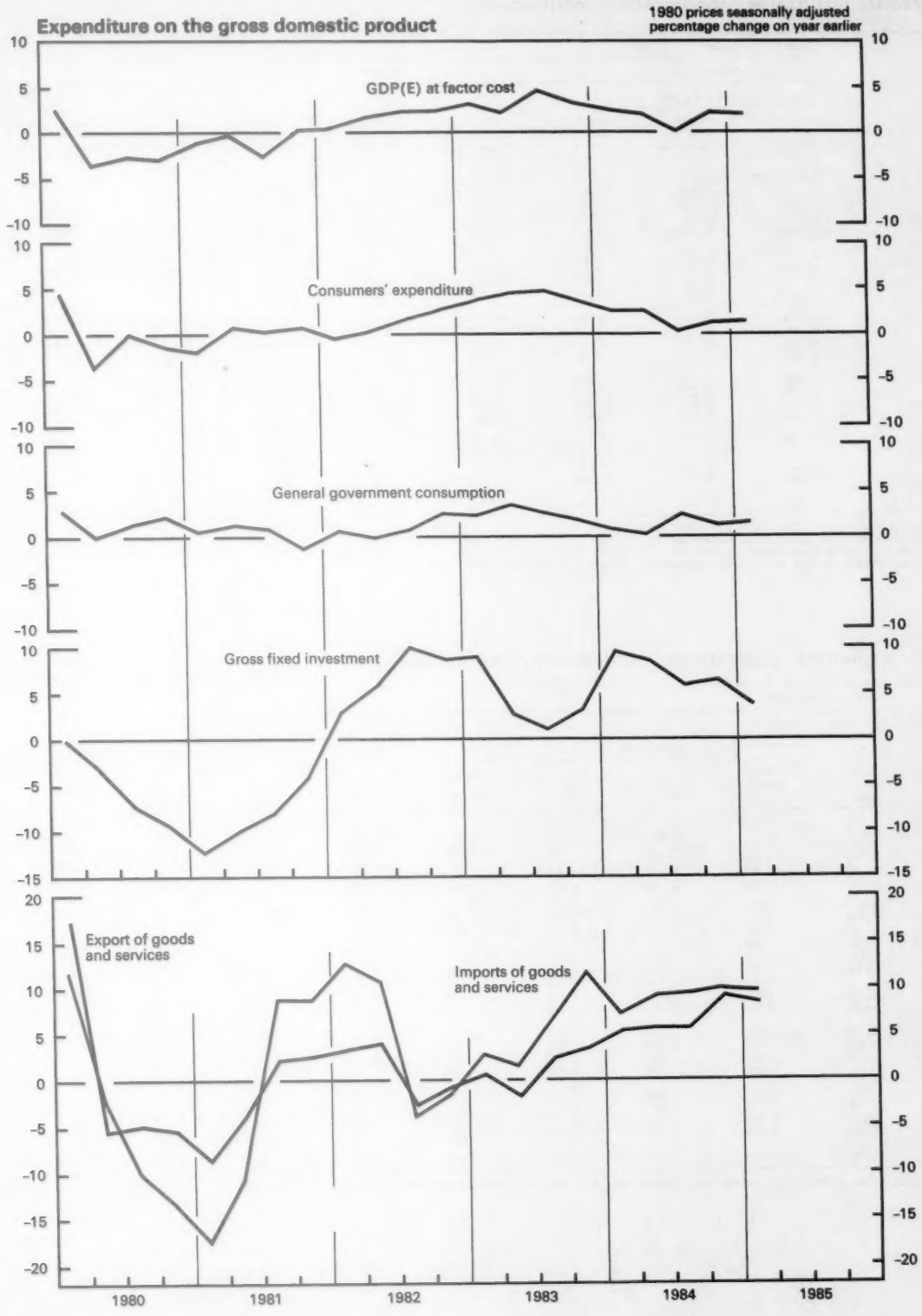
Expenditure on the gross domestic product

Seasonally adjusted

£ million, 1980 prices

		Gross domestic product at factor cost-expenditure based(1)	Final expenditure on goods and services at market prices									
			Total(1)	Consumers' expenditure	General government consumption			Gross fixed investment	Stock building	Exports of goods and services	Imports of goods and sevices	Adjustment to factor cost
					Total(1)	Central government	Local authorities					
		DJCW	DJDA	CCBH	DJCZ	DJDK	DJDL	DFDM	DHBK	DJCV	DJCY	DJCU
1977		193 583	274 451	124 564	46 085	28 252	17 857	41 323	2 566	59 939	52 251	28 190
1978		199 355	284 557	131 373	47 125	28 579	18 546	42 938	2 054	61 087	54 267	30 935
1979		203 056	295 132	137 256	48 107	29 097	19 010	43 868	2 534	63 367	59 905	32 168
1980		199 136	287 591	136 789	48 804	29 845	18 959	41 809	-2 909	63 298	57 581	30 874
1981		198 730	282 839	136 429	48 882	30 128	18 756	37 928	-2 739	62 139	55 597	30 312
1982		199 668	288 873	137 581	49 240	30 370	18 870	40 468	-1 184	62 788	57 762	31 443
1983		205 942	299 348	143 011	50 421	30 967	19 454	42 018	355	63 543	60 942	32 464
1984		209 175†	308 609†	145 241	50 947	31 217	19 730	45 139†	-479	67 781	66 342	33 092
		DJDH	DIAU	CAAB	DIAT	DIAV	DIAW	DECU	DGBA	DJDG	DJDJ	DIAS
1978	1	49 071	70 433	32 554	11 674	7 101	4 573	10 752	487	14 986	13 693	7 669
	2	50 431	71 404	32 883	11 769	7 154	4 615	10 963	685	15 304	13 286	7 707
	3	49 725	71 358	33 117	11 764	7 146	4 618	10 676	422	15 379	13 811	7 822
	4	50 128	71 362	33 019	11 918	7 178	4 740	10 547	460	15 418	13 497	7 737
1979	1	49 280	71 202	33 560	11 886	7 223	4 663	10 786	842	14 128	13 882	8 030
	2	51 381	75 197	35 132	12 086	7 318	4 768	10 892	332	16 755	15 350	8 466
	3	51 379	74 386	34 078	12 055	7 283	4 772	11 102	945	16 206	15 265	7 742
	4	51 008	74 347	34 486	12 080	7 273	4 807	11 088	415	16 278	15 411	7 930
1980	1	50 378	73 906	34 929	12 205	7 387	4 818	10 779	-552	16 545	15 502	8 026
	2	49 450	72 140	33 927	12 080	7 371	4 709	10 526	-277	15 884	15 009	7 681
	3	49 877	71 074	34 008	12 193	7 494	4 699	10 275	-837	15 435	13 720	7 477
	4	49 431	70 471	33 925	12 326	7 593	4 733	10 029	-1 243	15 434	13 350	7 690
1981	1	49 671	70 042	34 213	12 236	7 538	4 698	9 454	-1 040	15 179	12 810	7 561
	2	49 145	69 950	34 090	12 218	7 558	4 659	9 467	-1 127	15 302	13 405	7 400
	3	48 446	71 077	34 007	12 253	7 529	4 734	9 419	-423	15 811	14 901	7 730
	4	49 468	71 570	34 119	12 165	7 500	4 665	9 588	-149	15 847	14 481	7 621
1982	1	49 833	72 113	33 960	12 280	7 606	4 672	9 721	443	15 689	14 393	7 887
	2	49 786	72 459	34 118	12 197	7 534	4 663	9 987	226	15 931	14 844	7 829
	3	49 486	71 641	34 489	12 307	7 579	4 728	10 350	-923	15 418	14 299	7 856
	4	50 563	72 660	34 994	12 456	7 649	4 807	10 410	-930	15 730	14 226	7 871
1983	1	51 324	74 145	35 139	12 541	7 722	4 819	10 580	74	15 811	14 785	8 038
	2	50 708	73 904	35 539	12 591	7 715	4 876	10 261	-157	15 670	15 051	8 145
	3	51 781	75 155	36 106	12 611	7 755	4 856	10 453	204	15 781	15 234	8 140
	4	52 129	76 144	36 227	12 678	7 775	4 903	10 724	234	16 281	15 872	8 143
1984	1	52 484	76 474	35 973	12 611	7 713	4 898	11 570	-363	16 683	15 831	8 159
	2	51 685†	76 427†	36 430	12 602	7 677	4 925	11 113†	-304	16 586	16 415	8 327
	3	51 796	76 704	36 193	12 902	7 892	5 010	11 064	-145	16 690	16 647	8 261
	4	53 210	79 004	36 645	12 832	7 935	4 897	11 392	333	17 802	17 449	8 345
1985	1	53 512	79 280	36 450	12 812	7 918	4 894	12 054	-139	18 113	17 359	8 419
		Percentage change, quarter on corresponding period of previous year										
1979	4	+1.8	+4.2	+4.4	+1.4	+1.3	+1.4	+5.1	..	+5.6	+14.2	+2.5
1980	1	+2.2	+3.8	+4.1	+2.7	+2.3	+3.3	-0.1	..	+17.1	+11.7	-0.1
	2	-3.8	-4.1	-3.4	-0.1	+0.7	-1.2	-3.4	..	-5.2	-2.2	-9.3
	3	-2.9	-4.5	-0.2	+1.1	+2.9	-1.5	-7.5	..	-4.8	-10.1	-3.4
	4	-3.1	-5.2	-1.6	+2.0	+4.4	-1.5	-9.6	..	-5.2	-13.4	-3.0
1981	1	-1.4	-5.2	-2.1	+0.3	+2.0	-2.5	-12.3	..	-8.3	-17.4	-5.8
	2	-0.6	-3.0	+0.5	+1.1	+2.6	-1.1	-10.1	..	-3.7	-10.7	-3.7
	3	-2.9	-	-	+0.6	+0.5	+0.7	-8.3	..	+2.4	+8.6	+3.4
	4	+0.1	+1.6	+0.6	-1.3	-1.2	-1.4	-4.4	..	+2.7	+8.5	-0.9
1982	1	+0.3	+3.0	-0.7	+0.4	+0.9	-0.6	+2.8	..	+3.4	+12.4	+4.3
	2	+1.3	+3.6	+0.1	-0.2	-0.3	+0.1	+5.5	..	+4.1	+10.7	+5.8
	3	+2.1	+0.8	+1.4	+0.4	+0.7	-0.1	+9.9	..	-2.5	-4.0	+1.6
	4	+2.2	+1.5	+2.6	+2.4	+2.0	+3.0	+8.6	..	-0.7	-1.8	+3.3
1983	1	+3.0	+2.8	+3.4	+2.1	+1.5	+3.1	+8.8	..	+0.8	+2.7	+1.9
	2	+1.9	+2.0	+4.2	+3.2	+2.4	+4.6	+2.7	..	-1.6	+1.4	+4.0
	3	+4.6	+4.9	+4.7	+2.5	+2.3	+2.7	+1.0	..	+2.4	+6.5	+3.6
	4	+3.1	+4.8	+3.5	+1.8	+1.6	+2.0	+3.0	..	+3.5	+11.6	+3.5
1984	1	+2.3	+3.1	+2.4	+0.6	-0.1	+1.6	+9.4	..	+5.5	+7.1	+1.5
	2	+1.9	+3.4	+2.5	+0.1	-0.5	+1.0	+8.3	..	+5.8	+9.1	+2.2
	3	-	+2.1	+0.2	+2.3	+1.8	+3.2	+5.8	..	+5.8	+9.3	+1.5
	4	+2.1	+3.8	+1.2	+1.2	+2.1	-0.1	+6.2	..	+9.3	+9.9	+2.5
1985	1	+2.0	+3.7	+1.3	+1.6	+2.7	-0.1	+4.2	..	+8.6	+9.7	+3.2

1 For years up to and including 1977, totals differ from the sum of the components because of the method used to rebase on 1980 prices.


Expenditure on the gross domestic product
1980 prices seasonally adjusted
percentage change on year earlier
GDP(E) at factor cost
Consumers' expenditure
General government consumption
Gross fixed investment
Export of goods and services
Imports of goods and services
1980
1981
1982
1983
1984
1985

Personal disposable income and consumption

Seasonally adjusted

	£ million, current prices				Percentage	1980 prices		
	Personal income before tax		Total personal disposable income(2)	Consumers' expenditure	Personal saving ratio(3)	Real personal disposable income(4)		Real consumers' expenditure+
	Total(1)	of which: Wages, salaries and forces pay				£ million+	1980 = 100	£ million
	AIIA	AIJA	AIIJ	AIIK	AIIM	CFAG	CFAD	CCBH
1981	220 785	127 548	175 831	152 125	13.6	157 689	97.7	136 429
1982	240 936	136 500	191 177	166 538	12.9	157 936	97.8	137 581
1983	258 571	146 421	204 841	182 420	11.0	160 588	99.5	143 011
1984	277 838	155 718	219 917	194 581	11.6	164 153	101.8	145 241
	AIIQ	AIJB	AIIW	AIIX	AIIZ	CFAH	CFAF	CAAB
1981 2	54 381	31 451	43 301	37 635	13.1	39 214	97.2	34 090
3	55 795	32 197	44 069	38 488	12.7	38 930	96.5	34 007
4	57 340	32 902	45 659	39 536	13.4	39 393	97.7	34 119
1982 1	59 154	33 469	46 964	40 121	14.6	39 767	98.6	33 980
2	59 844	33 971	47 492	41 093	13.5	39 422	97.7	34 118
3	60 335	34 259	47 757	42 044	12.0	39 166	97.1	34 489
4	61 603	34 801	48 964	43 280	11.6	39 581	98.1	34 994
1983 1	62 729	35 778	49 652	44 151	11.1	39 517	98.0	35 139
2	63 775	36 257	50 584	45 069	10.9	39 888	98.9	35 539
3	65 210	36 813	51 634	46 282	10.4	40 282	99.9	36 106
4	66 857	37 573	52 971	46 918	11.4	40 901	101.4	36 227
1984 1	67 714	38 075	53 475	47 389	11.4	40 596	100.7	35 973
2	68 290	38 399	54 160	48 602	10.3	40 600	100.7	36 430
3	69 350	38 915	54 999	48 680	11.5	40 895	101.4	36 193
4	72 284	40 329	57 283	49 910	12.9	42 062	104.3	36 645
1985 1	72 500	41 110	57 292	50 728	11.5	41 166	102.1	36 450

1 Before providing for depreciation and stock appreciation.
2 Before providing for depreciation, stock appreciation and additions to tax reserves.
3 Personal savings as a percentage of personal disposable income.
4 Personal income revalued by the implied consumers' expenditure deflator (1980 = 100).

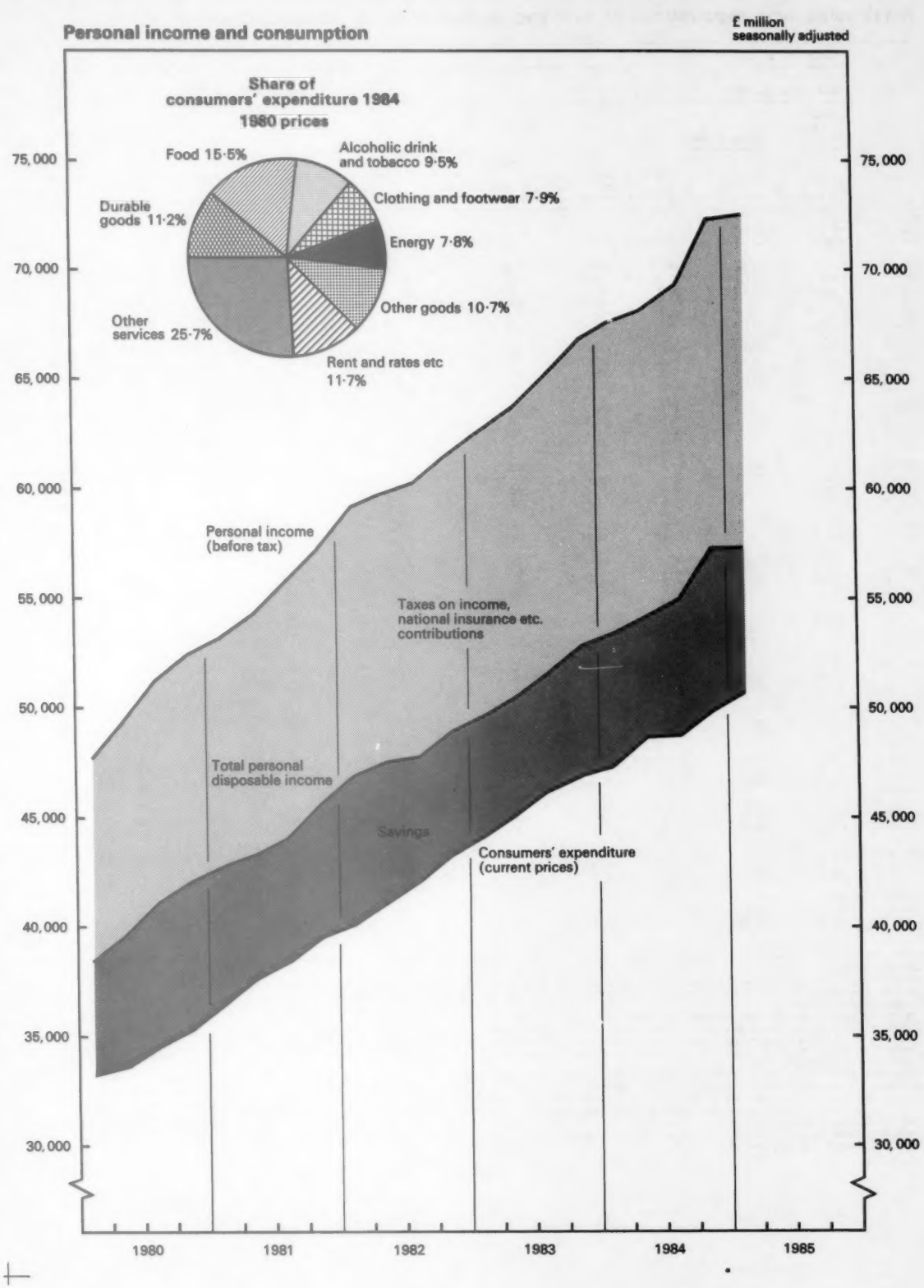
Real consumers' expenditure – component categories

Seasonally adjusted

£ million, 1980 prices

		Other goods					Other services	
	Durable goods: total	Food	Alcoholic drink and tobacco	Clothing and footwear	Energy products	Other goods	Rent and rates etc.	Other services(1)
	CCBH	CCBI	CCBM	FCCA	FCCB	CCBS	CCCX	CCCL	CCBV
1981	136 429	13 486	22 676	14 062	9 885	10 992	14 420	16 279	34 609
1982	137 581	14 193	22 587	13 511	10 139	11 038	14 624	16 530	34 959
1983	143 011	16 459	22 858	13 812	10 840	11 129	14 968	16 764	36 181
1984	145 241	18 290	22 468	13 928	11 443	11 238	15 528	16 978	37 368
	CAAB	CCBW	CCCA	FCCD	FCCE	CCCG	CCCM	CCCN	CCCJ
1981 2	34 090	3 442	5 614	3 519	2 445	2 742	3 602	4 061	8 665
3	34 007	3 356	5 682	3 505	2 456	2 709	3 609	4 079	8 608
4	34 119	3 330	5 659	3 433	2 519	2 812	3 606	4 091	8 667
1982 1	33 980	3 271	5 601	3 396	2 513	2 740	3 638	4 108	8 713
2	34 118	3 358	5 714	3 378	2 499	2 739	3 637	4 128	8 665
3	34 489	3 647	5 593	3 329	2 540	2 784	3 673	4 139	8 784
4	34 994	3 917	5 678	3 408	2 587	2 775	3 676	4 155	8 797
1983 1	35 139	4 001	5 645	3 416	2 610	2 748	3 707	4 172	8 840
2	35 539	3 986	5 669	3 390	2 714	2 864	3 735	4 184	9 017
3	36 106	4 263	5 729	3 480	2 741	2 779	3 733	4 199	9 182
4	36 227	4 229	5 815	3 526	2 775	2 738	3 793	4 209	9 142
1984 1	35 973	3 973	5 662	3 498	2 716	2 877	3 766	4 224	9 257
2	36 430	4 106	5 661	3 443	2 852	2 814	3 821	4 237	9 396
3	36 193	4 003	5 548	3 473	2 920	2 778	3 899	4 252	9 320
4	36 645	4 208	5 597	3 514	2 955	2 769	3 942	4 265	9 395
1985 1	36 450	4 000	5 495	3 457	2 930	2 938	3 956	4 278	9 396

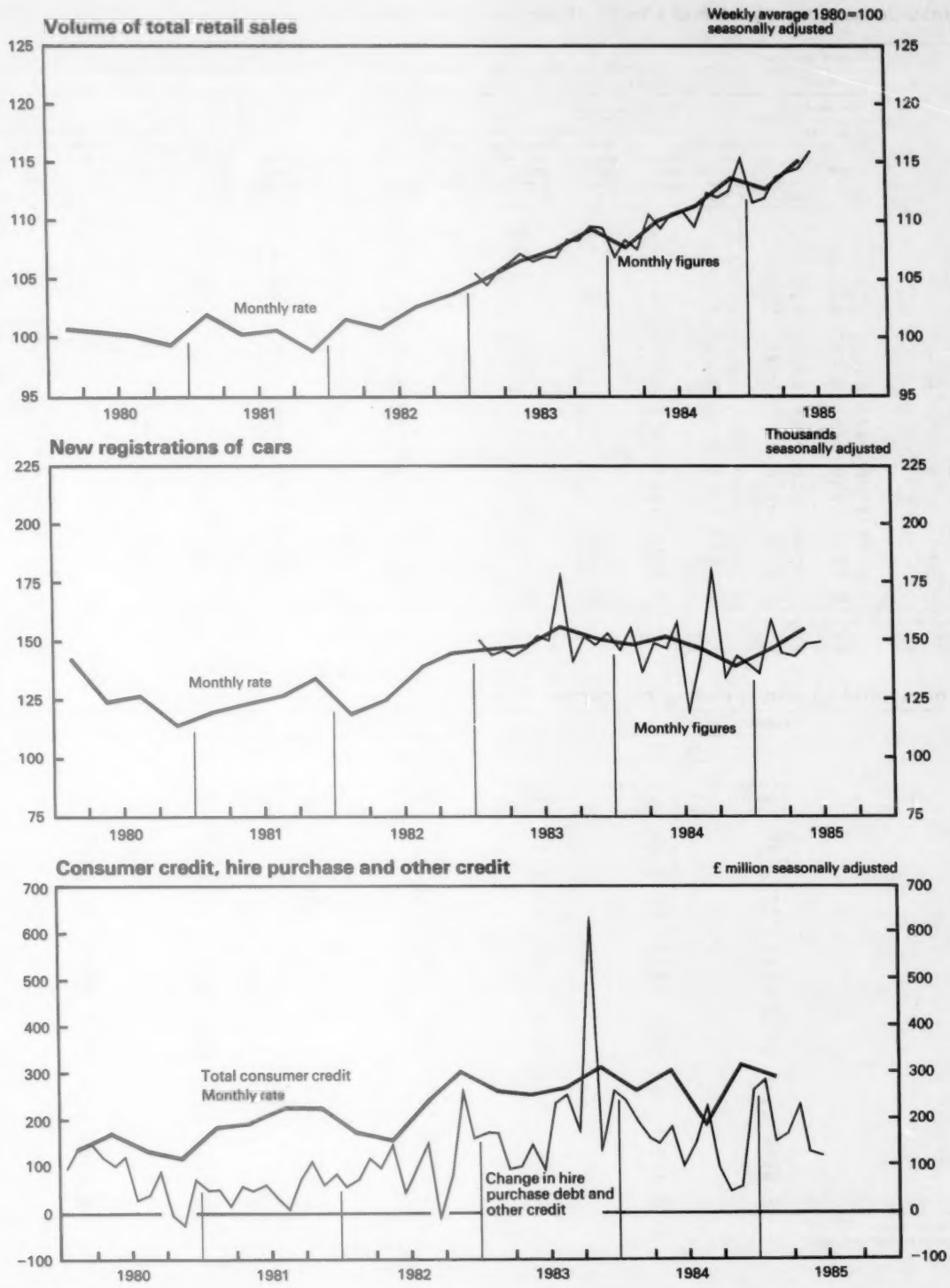
1 Including the adjustments for international travel, etc. and final expenditure by private non-profit-making bodies.


Personal income and consumption
£ million
seasonally adjusted
Share of
consumers' expenditure 1984
1980 prices
Food 15·5%
Alcoholic drink
and tobacco 9·5%
Clothing and footwear 7·9%
Energy 7·8%
Other goods 10·7%
Rent and rates etc
11·7%
Other
services 25·7%
Durable
goods 11·2%
75,000
70,000
65,000
60,000
55,000
50,000
45,000
40,000
35,000
30,000
Personal income
(before tax)
Taxes on income,
national insurance etc.
contributions
Total personal
disposable income
Savings
Consumers' expenditure
(current prices)
1980
1981
1982
1983
1984
1985

Retail sales, new registrations of cars and consumer credit (Great Britain)

		Seasonally adjusted										
		Weekly average 1980=100							Thousands(1)	£ million		
		Value of retail Sales(2,3)	Volume of retail sales (2,3)							Consumer credit	Hire purchase and other credit business(4)	
		Total(5)	Total(5)	Food retailers(5)	Mixed retail businesses(5)	Clothing and footwear retailers	Household goods retailers	Other non-food retailers	New registrations of cars+(6)	Change in total outstanding	New credit extended	Change in amounts outstanding(7)
Sales in 1980 £ million		58 377	58 377	22 859	10 930	5 413	9 146	10 029				
		FAAA	FAAB	FAAC	FAAD	FAAE	FAAF	FAAG	DKBY	AIKL	AGTJ	AGTB
1980		100.0	100.0	100.0	100.0	100	100	100	127	1 658	7 819	+937
1981		108.2	100.2	100.7	100.4	97	102	99	125	2 473	7 831	+658
1982		117.1	102.2	101.6	103.9	100	106	99	132	2 620	9 087	+1 257
1983		127.8	107.1	105.8	109.4	108	115	100	151	3 284	10 524	+2 485
1984		137.5	110.7	108.4	113.6	114	120	102	147	3 220	11 509	+1 804
		FAAL	FAAN	FAAH	FAAO	FAAP	FAAQ	FAAR		AIKM	AGTU	AGTN
1982	2	115.2	100.8	101.0	101.8	99	102	99	125	470	2 162	+266
	3	117.7	102.6	101.9	105.0	100	107	98	139	725	2 385	+237
	4	120.5	103.7	102.5	106.5	102	110	99	145	904	2 448	+505
1983	1	123.2	105.1	104.1	106.8	104	113	99	147	780	2 518	+442
	2	126.0	106.7	105.3	108.6	108	115	100	148	766	2 549	+339
	3	128.9	107.5	106.4	110.0	109	115	100	157	802	2 679	+671
	4	132.1	109.2	107.5	112.1	110	118	101	151	936	2 780	+1 034
1984	1	131.7	107.7	107.0	110.0	108	116	99	148	790	2 874	+845
	2	136.5	110.2	108.1	113.0	115	119	102	152	916	2 876	+427
	3	139.0	111.1	108.5	114.0	116	121	102	147	573	2 813	+469
	4	142.9	113.6	109.9	117.5	118	125	105	139	941	2 946	+363
1985	1	143.7	112.6	110.6	117.0	118	122	100	146	861	3 146	+600
	2	148.5†	115.0†	111.9†	119.4†	124†	125†	103†	149†		3 082†	+483†
		FABA	DKCD	FABC	FABD	FABE	FABF	FABG				
1983	J	127.7	107.0	106.4	107.3	109	114	100	150	..	836	+238
	A	128.3	106.9	106.3	109.6	104	115	100	179	..	927	+254
	S	130.5	108.5	106.5	112.6	112	116	100	141	..	916	+179
	O	130.8	108.4	106.9	110.0	108	117	102	152	..	876	+638
	N	132.7	109.7	107.5	113.3	111	118	102	148	..	953	+135
	D	132.7	109.6	107.9	112.8	111	119	101	153	..	951	+261
1984	J	130.5	107.0	106.3	108.9	106	116	99	146	..	959	+243
	F	132.5	108.5	107.5	111.5	109	117	100	161	..	994	+197
	M	132.1	107.7	107.2	109.7	109	115	99	137	..	921	+205
	A	136.4	110.7	108.5	113.7	117	119	102	149	..	927	+145
	M	135.3	109.3	107.4	111.1	112	119	102	147	..	1 011	+182
	J	137.4	110.6	108.2	113.9	115	119	102	159	..	938	+100
	J	138.4	110.9	108.6	113.9	115	121	102	119	..	991	+148
	A	137.4	109.7	108.1	112.1	112	119	101	142	..	933	+226
	S	140.7	112.3	108.9	115.4	120	123	103	181	..	889	+95
	O	140.7	112.0	108.9	115.6	118	122	103	134	..	1 006	+44
	N	141.7	112.7	110.0	116.2	118	121	104	143	..	966	+58
	D	145.5	115.6	110.7	120.0	119	129	107	140	..	972	+251
1985	J	142.0	111.6	110.0	115.8	118	120	99	136	..	1 168	+283
	F	142.6	112.0	110.4	116.9	114	121	101	158	..	1 013	+156
	M	146.0	113.8	111.3	118.0	121	125	101	145	..	965	+161
	A	147.0	114.1	111.0	118.4	125	124	102	144	..	1 061†	+230
	M	147.8	114.8	111.7	119.1	123	124	104	148	..	1 042	+131†
	J	150.3†	116.0†	112.8†	120.4†	125†	126†	104†	155†	..	979	+122
	J		116.1							..		

1 Monthly averages.
2 Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. The quarterly indices are weighted averages of monthly indices for the months within the quarter. The weights are the number of weeks in each monthly period.
3 The retail sales index has been rebased using detailed information for 1982.
4 Credit extended by and repaid to finance houses, other specialist consumer credit grantors and retailers, i.e. clothing retailers, household goods retailers, mixed retail businesses (other than co-operative societies) and general mail order houses. Most consumer credit extended by UK banks and credit extended by insurance companies is outside the scope of these series, but some lending to companies is included, (see pages 108-109 of Economic Trends No.311, September 1979).
5 These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
6 Following the change in taxation policy for goods vehicles, effective from 1 October 1982, the previous 'private car and van' series has been substituted by an analysis of cars in all taxation classes. Although there are slight differences in the monthly counts between the two series this will not significantly effect movements in the estimates of the underlying trend. The timing of the cyclical turning points has not been affected by the substitution.
7 There is a break between 1978 and 1979. Prior to 1979 figures include interest payments due over the whole period of the loans; from 1979 onwards they are excluded.


Volume of total retail sales
Weekly average 1980=100
seasonally adjusted
125
120
115
110
105
100
95
Monthly rate
Monthly figures
1980
1981
1982
1983
1984
1985
New registrations of cars
Thousands
seasonally adjusted
225
200
175
150
125
100
75
Monthly rate
Monthly figures
1980
1981
1982
1983
1984
1985
Consumer credit, hire purchase and other credit
£ million seasonally adjusted
700
600
500
400
300
200
100
0
−100
Total consumer credit
Monthly rate
Change in hire
purchase debt and
other credit
1980
1981
1982
1983
1984
1985

Gross domestic product and shares of income and expenditure

	Seasonally adjusted													
	£ million			Per cent										
	Gross domestic product at current factor cost		Total final expenditure (current market prices)	Percentage share of total final expenditure						Percentage share of gross domestic product (income based)				
				Consumers' expenditure	General government consumption	Gross fixed investment			Exports	Income from employment	Gross trading profits		Income from self-employment(1)	Other income(3)
	Expenditure based	Income based				General government	Public corporations	Private sector			Companies(1)	Other (1,2)		
	DJAE	DJAL	DJAK	FBBD	FBBE	FBBF	FBBG	FBBH	FBBI	FBBJ	FBBK	FBBL	FBBM	FBBN
1979	170 967	171 035	250 942	47.0	15.5	2.0	2.3	10.3	22.0	67.7	12.6	2.9	9.2	7.7
1980	189 136	198 504	287 591	47.5	17.0	2.0	2.3	10.2	22.0	68.9	11.8	2.9	8.5	7.8
1981	217 578	216 407	313 983	48.4	17.6	1.5	2.1	9.6	21.7	68.4	11.4	3.3	8.6	8.1
1982	235 501	237 329	344 342	48.3	17.5	1.3	2.0	9.9	21.2	66.6	12.8	3.7	8.9	8.0
1983	257 070	258 540	377 728	48.3	17.4	1.4	2.1	9.5	21.1	65.6	14.1	3.6	8.7	7.7
1984	273 135	280 406	409 968	47.5	17.0	1.5	1.9	10.0	22.3	64.4	16.1	3.0	8.8	7.5
	DJBA	DJBE	DJAB										FBBO	
1981 1	53 508	51 921	74 789	48.8	17.8	1.8	2.2	9.7	21.3	69.2	11.0	3.0	16.8	
2	53 794	52 765	76 753	49.0	17.7	1.6	2.2	9.6	21.4	69.2	10.6	3.4	16.8	
3	54 317	55 126	80 132	48.0	17.6	1.3	2.1	9.6	22.0	67.9	11.9	3.6	16.7	
4	55 959	56 595	82 309	48.0	17.3	1.3	2.1	9.5	22.0	67.5	12.3	3.4	16.8	
1982 1	56 916	57 202	83 858	47.8	17.4	1.4	2.1	9.4	21.3	67.9	11.3	3.8	17.1	
2	58 391	58 999	85 715	47.9	17.4	1.2	2.0	9.9	21.4	66.6	12.8	3.6	16.9	
3	59 043	60 041	86 256	48.7	17.6	1.4	2.0	10.2	21.0	66.0	13.3	3.8	16.9	
4	61 151	61 097	88 501	48.9	17.5	1.4	2.1	10.0	21.3	65.8	13.7	3.7	16.9	
1983 1	63 184	62 852	92 411	47.8	17.7	1.6	2.1	9.5	21.2	65.9	13.9	3.6	16.6	
2	62 537	63 650	92 440	48.8	17.6	1.2	2.1	9.5	21.1	66.0	13.3	4.0	16.5	
3	65 258	65 260	95 304	48.6	17.2	1.5	2.1	9.4	20.9	65.4	14.8	3.4	16.4	
4	66 111	66 778	97 573	48.1	17.1	1.5	2.1	9.6	21.4	65.3	14.6	3.6	16.4	
1984 1	67 650	68 549	99 549	47.6	16.9	1.8	2.1	10.0	22.0	64.5	15.9	3.3	16.3	
2	67 115	68 607	100 493	48.4	16.9	1.4	1.9	10.0	21.9	64.9	15.0	3.5	16.6	
3	67 833	70 711	102 585	47.5	17.2	1.5	1.8	9.9	22.2	63.9	16.7	3.0	16.4	
4	70 537	72 541	107 341	46.5	17.0	1.5	1.7	10.2	23.2	64.5	17.0	2.2	16.3	
1985 1	72 635	74 870	110 538	45.9	16.6	1.5	1.3	11.0	23.5	63.8	18.5	1.7	16.0	

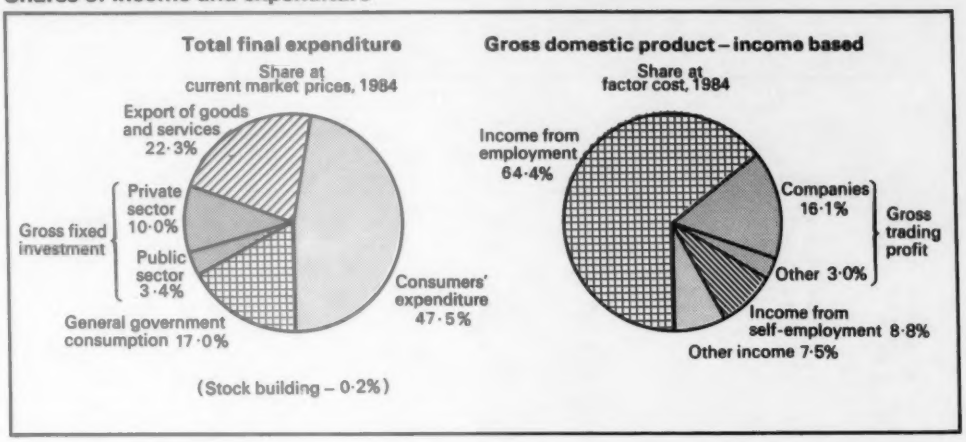
1 After providing for stock appreciation.
2 Gross trading surplus of public corporations and general government enterprises.
3 Rent income, and imputed charge for consumption of non-trading capital.

Income, product and spending per capita

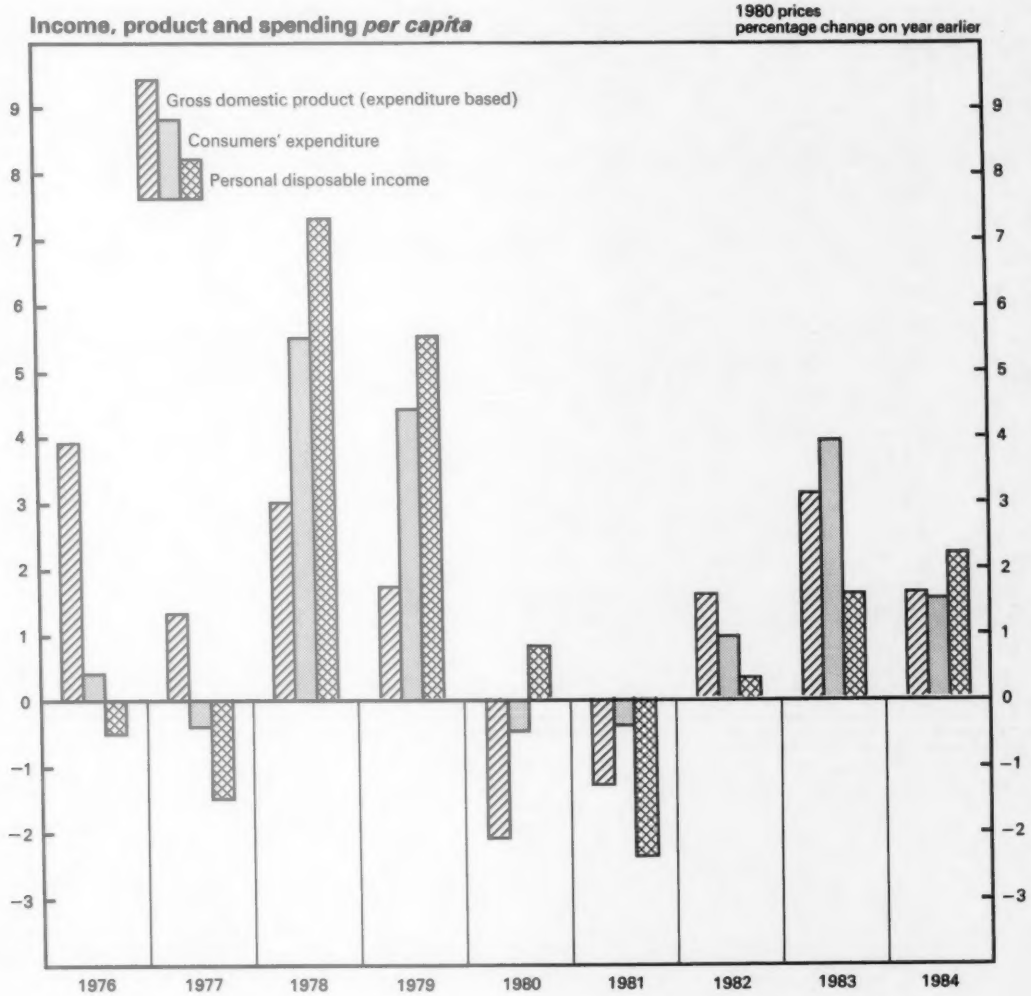
	Seasonally adjusted					
	£, current prices				£, 1980 prices		
	Gross national product(1)	Gross domestic product(1,2)	Consumers' expenditure	Personal disposable income	Gross domestic product(1,2)	Consumers' expenditure	Personal disposable income
	FBCA	FBCB	FBCC	FBCD	FBCE	FBCF	FBCH
1979	3 059	3 040	2 097	2 441	3 611	2 441	2 841
1980	3 533	3 536	2 429	2 865	3 536	2 429	2 865
1981	3 878	3 859	2 698	3 119	3 489	2 420	2 797
1982	4 201	4 180	2 956	3 393	3 544	2 442	2 804
1983	4 605	4 580	3 236	3 633	3 653	2 537	2 848
1984	4 898	4 844	3 451	3 900	3 710	2 576	2 911
1981 1	953	949	647	759	861	607	CAIU
2	960	954	667	788	872	605	713
3	966	963	683	782	859	603	695
4	997	993	701	810	878	605	690
1982 1	1 008	1 010	712	834	885	603	699
2	1 043	1 037	730	843	884	606	706
3	1 055	1 048	746	848	879	612	700
4	1 095	1 085	768	869	897	621	695
1983 1	1 133	1 121	783	881	911	623	703
2	1 115	1 109	799	897	899	630	701
3	1 174	1 157	821	916	918	640	706
4	1 184	1 173	832	940	925	643	714
1984 1	1 209	1 200	841	949	931	638	725
2	1 204	1 191	862	961	917	646	720
3	1 217	1 208	883	976	919	642	720
4	1 268	1 251	885	1 016	944	650	725
1985 1	1 310	1 288	899	1 016	949	646	746
							730

1 At factor cost.
2 Based on expenditure data.

Shares of income and expenditure



Income, product and spending *per capita*



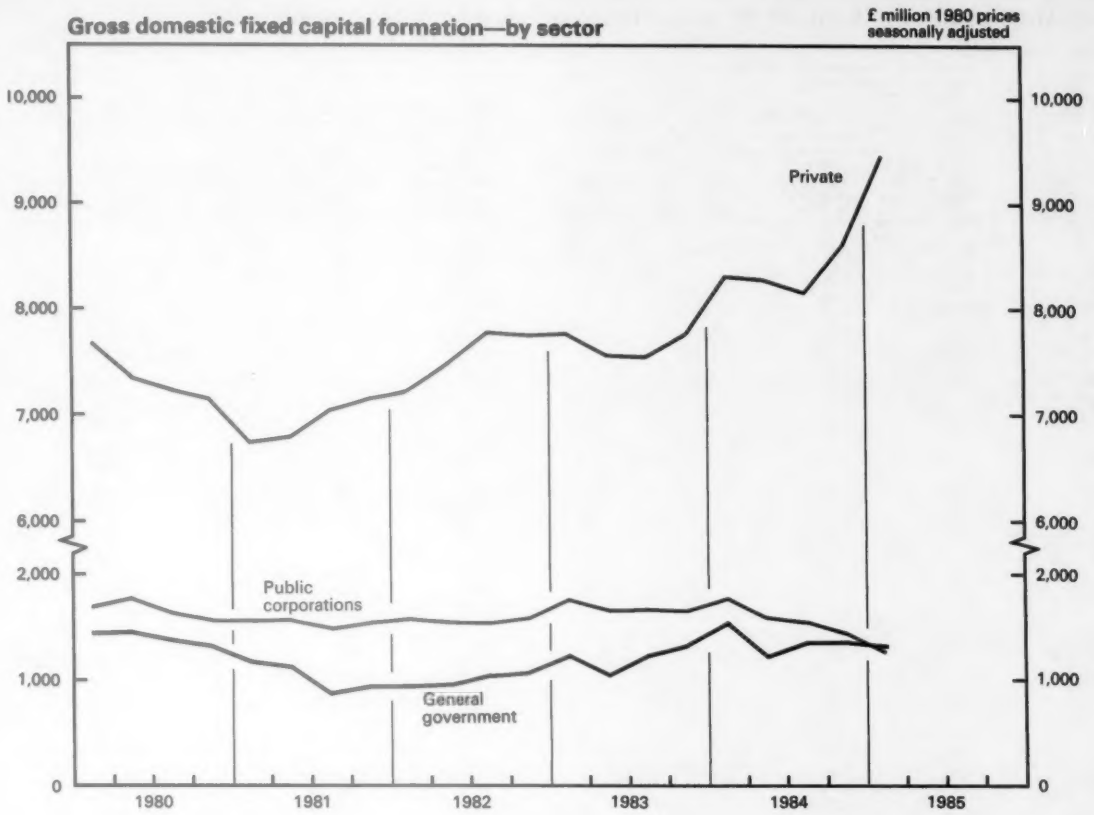
Gross domestic fixed capital formation by sector and by type of asset

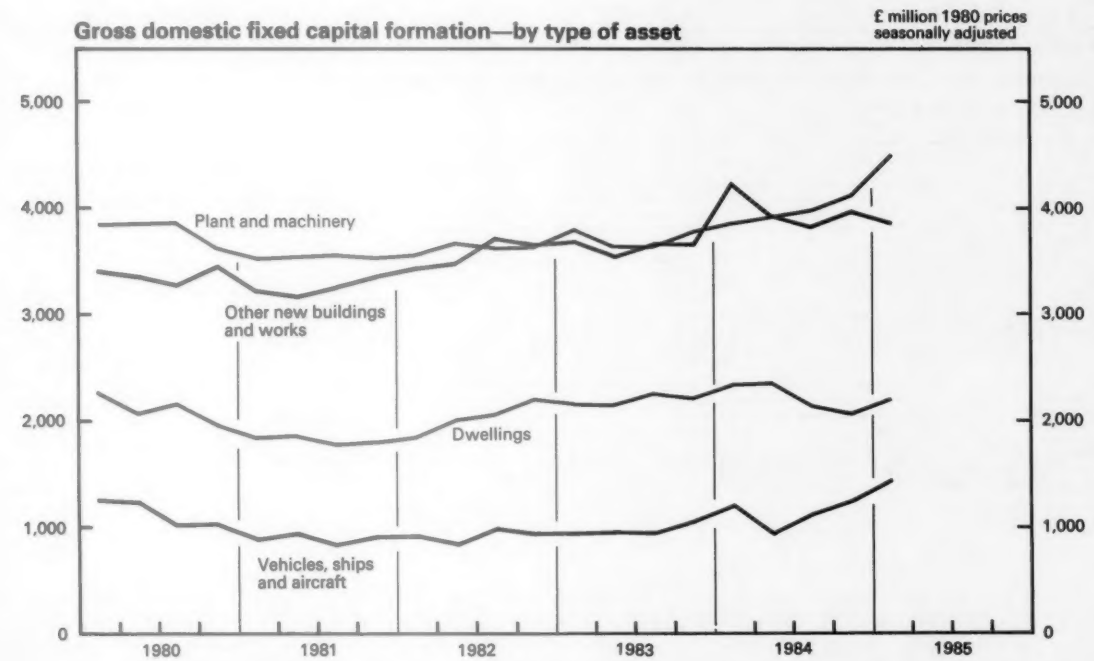
Seasonally adjusted

£ million, 1980 prices(1)

		Sector(2)			Type of asset					
					Dwellings					
						of which:				
		Total+	Private sector	General government	Public corporations	Total	Private	Public	Other new building and works(2)	Vehicles, ships and aircraft	Plant and machinery
		DFDM	DFDQ	DFDS	DFCZ	DFDV	DFDP	DFDR	DFCU	DFEH	DFCY
1976		42 434	25 167	9 148	8 007	9 831	6 002	3 779	15 815	4 168	12 758
1977		41 323	26 340	7 606	7 328	8 990	5 553	3 398	14 822	4 730	12 913
1978		42 938	29 323	6 740	6 875	9 209	6 064	3 145	14 617	5 208	13 904
1979		43 868	30 567	6 510	6 791	9 223	6 353	2 870	14 194	5 480	14 991
1980		41 609	29 361	5 596	6 652	8 391	5 872	2 519	13 550	4 571	15 097
1981		37 928	27 677	4 134	6 117	7 202	5 537	1 665	13 034	3 614	14 078
1982		40 468	30 207	4 065	6 196	8 037	6 047	1 990	14 313	3 714	14 404
1983		42 018	30 469	4 838	6 711	8 677	6 631	2 046	14 611	3 925	14 805
1984		45 139†	33 359†	5 516	6 264†	8 816	6 706	2 110	15 973†	4 540	15 810
		DECU	DFEB	DFED	DFDA	DFEG	DFEA	DFEC	DFCV	DEBP	DEBO
1980	1	10 779	7 655	1 443	1 681	2 266	1 560	706	3 417	1 270	3 826
	2	10 526	7 337	1 445	1 744	2 067	1 418	649	3 377	1 245	3 837
	3	10 275	7 212	1 390	1 673	2 132	1 518	614	3 292	1 017	3 834
	4	10 029	7 157	1 318	1 554	1 926	1 376	550	3 464	1 039	3 800
1981	1	9 454	6 713	1 192	1 549	1 818	1 380	438	3 220	900	3 516
	2	9 467	6 791	1 111	1 565	1 824	1 388	436	3 173	957	3 513
	3	9 419	7 031	889	1 489	1 770	1 368	402	3 267	844	3 538
	4	9 588	7 142	932	1 514	1 790	1 401	389	3 374	913	3 511
1982	1	9 721	7 211	940	1 570	1 817	1 356	461	3 443	920	3 541
	2	9 987	7 482	979	1 526	1 996	1 505	491	3 481	880	3 650
	3	10 350	7 779	1 056	1 515	2 032	1 521	511	3 719	995	3 604
	4	10 410	7 735	1 080	1 585	2 192	1 665	527	3 670	939	3 609
1983	1	10 580	7 820	1 223	1 737	2 156	1 638	518	3 695	944	3 785
	2	10 251	7 552	1 062	1 647	2 116	1 651	465	3 558	957	3 630
	3	10 453	7 541	1 243	1 669	2 211	1 698	513	3 675	948	3 619
	4	10 724	7 756	1 310	1 658	2 194	1 644	550	3 683	1 076	3 771
1984	1	11 570	8 303†	1 531†	1 736	2 310	1 653	657	4 223	1 203	3 834
	2	11 113†	8 281	1 242	1 590	2 325	1 854	471	3 921†	958	3 909
	3	11 064	8 165	: 371	1 528†	2 120	1 624	496	3 848	1 130	3 966
	4	11 392	8 610	1 372	1 410	2 061	1 575	486	3 981	1 249	4 101
1985	1	12 054	9 419	1 384	1 251	2 109†	1 592	517†	3 994	1 438†	4 513†
		Percentage change, quarter on corresponding quarter of previous year									
1980	1	-0.1	+2.3	-9.5	-1.5	-0.7	-1.5	+1.0	-3.0	-6.8	+5.7
	2	-3.4	-3.8	-9.5	+4.4	-7.1	-7.0	-7.4	-3.5	-16.5	+4.3
	3	-7.5	-6.0	-18.8	-2.8	-7.9	-3.4	-17.4	-8.9	-27.9	+1.9
	4	-9.6	-8.1	-17.9	-8.2	-19.8	-17.8	-24.3	-2.8	-13.1	-8.4
1981	1	-12.3	-12.3	-17.4	-7.9	-19.8	-11.5	-38.0	-5.8	-29.1	-8.1
	2	-10.1	-7.4	-23.1	-10.3	-11.8	-2.1	-32.8	-6.0	-23.1	-8.4
	3	-8.3	-2.5	-35.3	-11.0	-17.0	-9.9	-34.5	-0.8	-17.0	-7.7
	4	-4.4	-0.2	-29.3	-2.6	-7.1	+1.8	-29.3	-2.6	-12.1	-2.5
1982	1	+2.8	+7.4	-21.1	+1.4	-0.1	-1.7	+5.3	+6.9	+2.2	+0.7
	2	+5.5	+10.2	-11.9	-2.5	+9.4	+8.4	+12.6	+9.7	-10.1	+3.9
	3	+9.9	+10.6	+17.5	+1.7	+14.8	+11.2	+27.1	+13.8	+17.9	+1.9
	4	+8.6	+8.3	+17.0	+4.7	+22.5	+18.8	+35.5	+8.8	+2.8	+2.8
1983	1	+8.8	+5.7	+30.1	+10.6	+18.7	+20.8	+12.4	+7.3	+2.6	+6.9
	2	+2.7	+0.9	+8.5	+7.9	+6.0	+9.7	-5.3	+2.2	+11.3	-0.5
	3	+1.0	-3.1	+17.7	+10.2	+8.8	+11.6	+0.4	-1.2	-4.7	+0.4
	4	+3.0	+0.3	+20.2	+4.6	+0.1	-1.3	+4.4	+0.4	+14.6	+4.5
1984	1	+9.4	+9.0	+25.2	-0.1	+7.1	+0.9	+26.8	+14.3	+27.4	+1.3
	2	+8.3	+9.7	+17.0	-3.5	+9.9	+12.3	+1.3	+10.2	+0.1	+7.7
	3	+5.8	+8.3	+10.3	-8.4	-4.1	-4.4	-3.3	+4.7	+19.2	+9.6
	4	+6.2	+11.0	+4.7	-15.0	-6.1	-4.2	-11.6	+8.1	+16.1	+8.8
1985	1	+4.2	+13.4	-9.6	-27.9	-8.7	-3.7	-21.3	-5.4	+19.5	+17.7

1 For the years before 1978, totals may not equal the sum of their components, because of the method used in rebasing to 1980 prices.
2 Including transfer costs of land and buildings.


Gross domestic fixed capital formation—by sector
£ million 1980 prices seasonally adjusted
10,000
9,000
8,000
7,000
6,000
2,000
1,000
0
Private
Public corporations
General government
1980
1981
1982
1983
1984
1985


Gross domestic fixed capital formation—by type of asset
£ million 1980 prices seasonally adjusted
5,000
4,000
3,000
2,000
1,000
0
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1980
1981
1982
1983
1984
1985

Indicators of fixed investment by manufacturing industry (revised definition)

		Gross fixed investment by manufacturing industry (excluding leased assets)							New orders received by contractors for private industrial work(GB)
			Plant and machinery			New building and works			
		Total*	Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
		£ million, 1980 prices, seasonally adjusted	£ million†, 1980 prices, seasonally adjusted	Percentage change on year earlier	Balance(1)	£ million, 1980 prices, seasonally adjusted	Percentage change on year earlier	Balance(1)	£ million, 1980 prices, seasonally adjusted
		DFDN	FBAA	FBAE	FBAD	FBAB	FBAF	FBAG	FBAC
1975		6 779	5 026	-7	..	1 284†	-7	..	1 536
1976		5 470	4 869	-3	..	1 053	-18	..	1 790
1977		6 774	4 992†	+2	..	1 136	+8	..	2 144
1978		7 220	5 319	+7	..	1 277	+12	..	2 241
1979		7 496	5 554	+4	..	1 305	+2	..	2 241
1980		6 479†	4 958	-11	..	1 052	-19	..	1 803
1981		4 865	3 719	-25	..	788	-27	..	1 611
1982		4 622	3 563	-4†	..	657	-4†	..	1 364
1983		4 779	3 771	+6	..	585	-1	..	1 602
1984		5 588	4 312	+14	..	796	+6	..	2 208
		DECV	FBAJ	FBAK		FBAL	FBAM		FBAO
1979	4	1 876†	1 418†	+6	-9	300	-10†	-20	586
1980	1	1 757	1 355	-2	-18	259	-26	-30	471
	2	1 394	1 288	-6	-18	286	-11	-31	490
	3	1 602	1 225	-11	-43	268†	-20	-47	423
	4	1 425	1 090	-23	-46	240	-20	-49	420
1981	1	1 299	984	-27	-38	228	-12	-46	346
	2	1 212	924	-28	-30	198	-31	-40	379
	3	1 178	918	-25	-23	167	-38	-35	483
	4	1 175	894	-18	-13	175	-27	-33	403
1982	1	1 176	902	-8	-5	176	-23	-25	356
	2	1 168	907	-2†	-2	160	-19	-25	335
	3	1 177	912	-1	-11	162	-3	-26	353
	4	1 100	843	-6	-20	159	-9	-33	321
1983	1	1 138	907	+1	-5	138	-22	-26	422
	2	1 162	917	+1	6	143	-11	-15	376
	3	1 193	930	+2	18	155	-4	-5	438
	4	1 285	1 017	+21	12	149	-6	-8	365
1984	1	1 375	1 064	+17	20	187	+36	-5	544
	2	1 352	1 048	+14	21	196	+37	-3	536
	3	1 362	1 069	+15	14	196	+26	-5	520
	4	1 448	1 132	+11	18	217	+46	-5	607
1985	1	1 442	1 108	+4	11	230	+23	-8	566
	2	1 477	1 141	+9		238	+21		670†

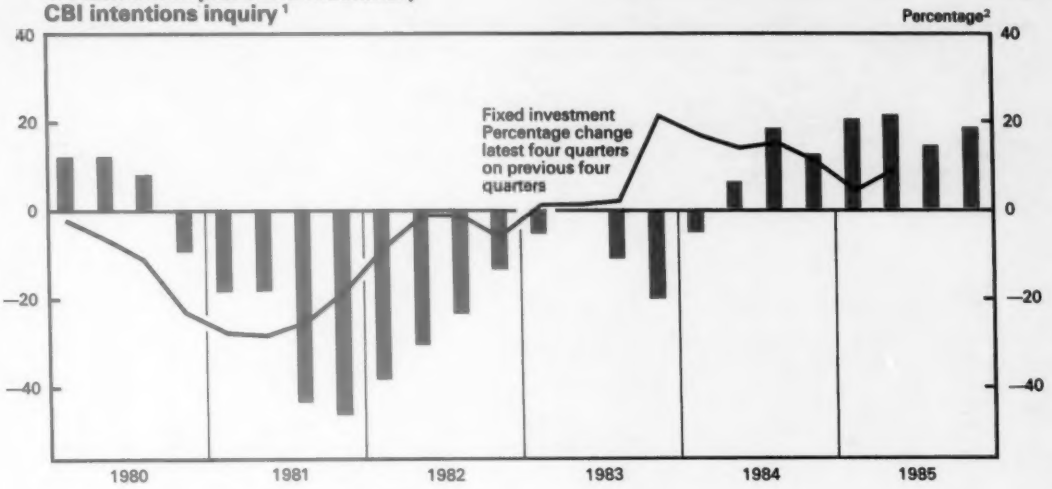
1 Percentage of firms expecting to authorise more in next 12 months less percentage expecting to authorise less.

Department of Trade and Industry inquiry into investment intentions: manufacturing industry (1,2)

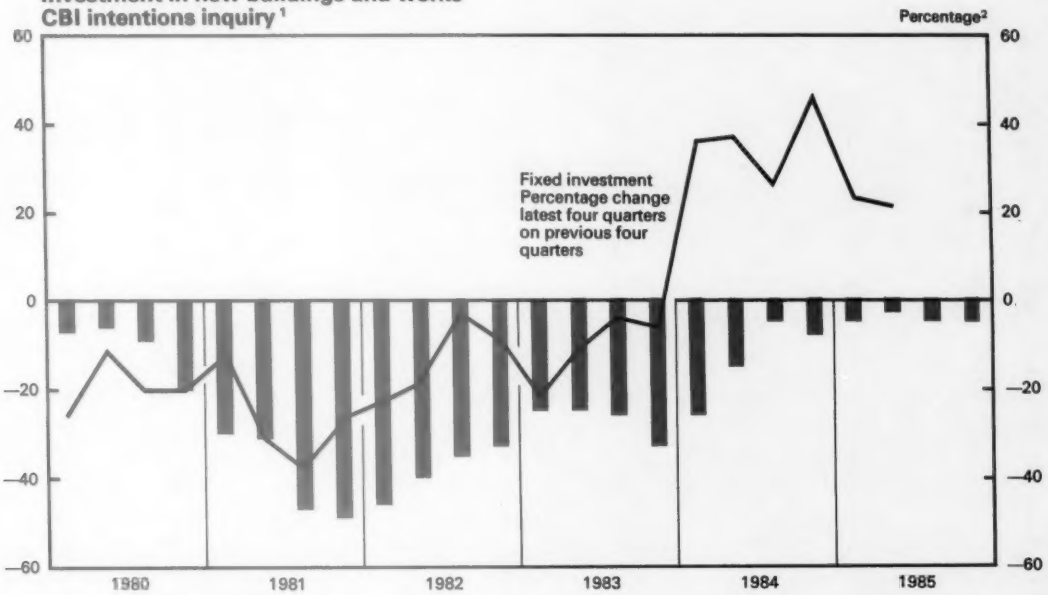
	Percentage change over previous year, in volume terms				
	Gross fixed investment (excluding leased assets)				
	First December Forecast	First June Forecast	Second December Forecast	Second June Forecast	Actual
1974	Strong increase	Strong increase	some +12 to +14	About +5	+10
1975	Little change	Little change	-7 to -10	Of order of -15	-7
1976	Further reduction	Little change	-5 to -8	-6(5 to 8)	-8
1977	Large increase	Of order of +15	+10 to +15	+8 to +10	+5
1978	Strong increase	+20 or more	+10 to +13	+10 to +13	+8
1979	Rise, less than +8	Rise less than +8	+4 to +8	+2 to +5	+5
1980	Slight fall	Slight fall	-6 to -10	-8 to -12	-9
1981	Further fall	Fall of up to 8 to 12	-15 to -20	-15 to -18	-18
1982	Some recovery	Some recovery	-1 to -3	-3 to -5	-10
1983	Appreciable increase	Rise, around 5	Fall, up to 5	Fall, around 4	
1984	No recovery	Slow growth			

1 The figures in this table relate to manufacturing industry classified according to the Standard Industrial Classification(1968).
2 An article, 'Investment intentions survey: 1972 to 1982', published in British business on 16 September 1983 expands on the table and also includes a similar table for the distributive and service industries.

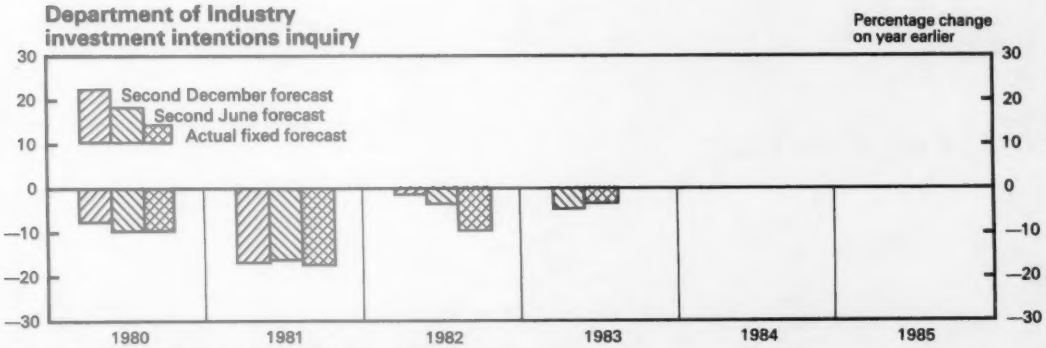
Investment in plant and machinery
CBI intentions inquiry [1]



Investment in new buildings and works
CBI intentions inquiry [1]



Department of Industry
investment intentions inquiry



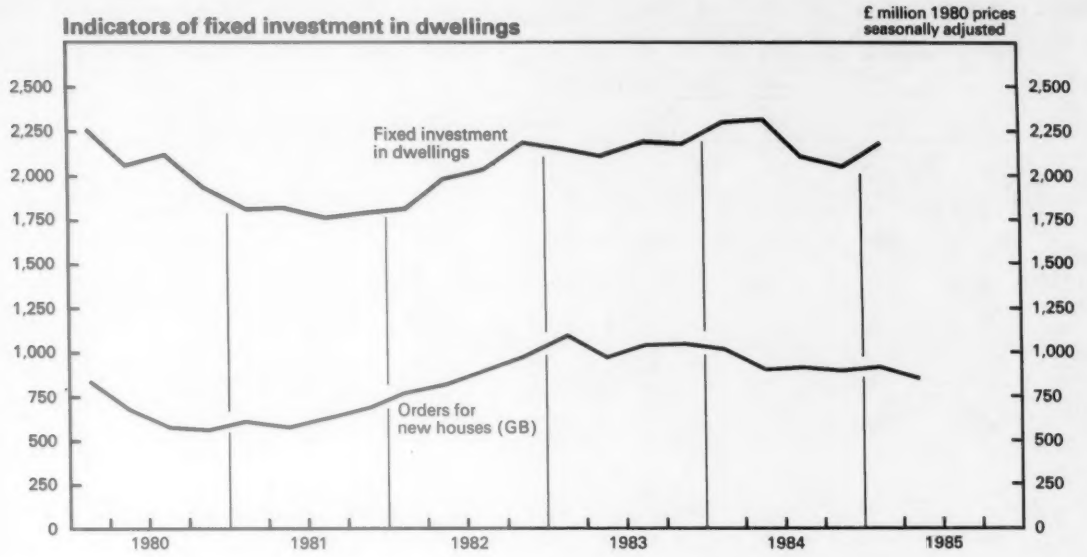
[1] The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage change in fixed investment

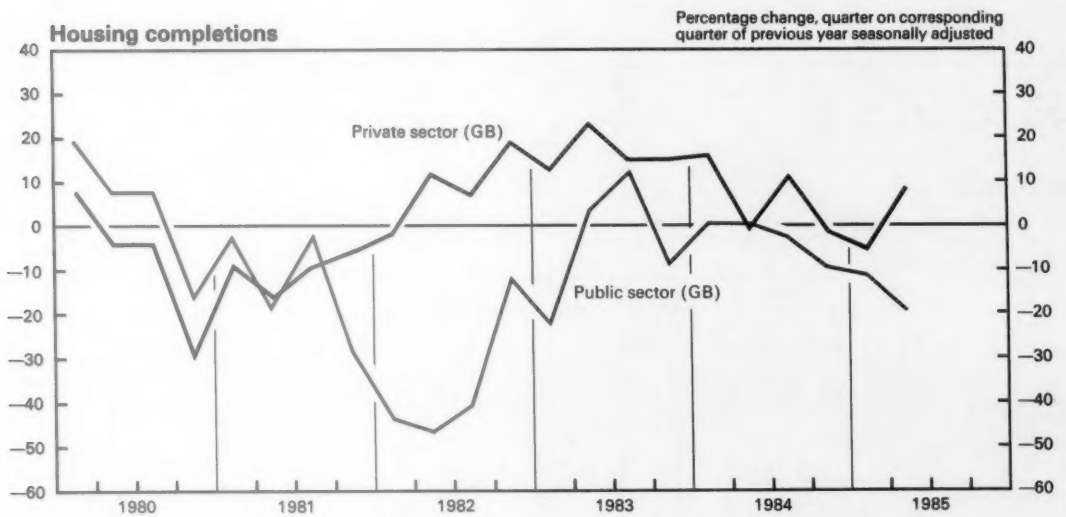
[2] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less

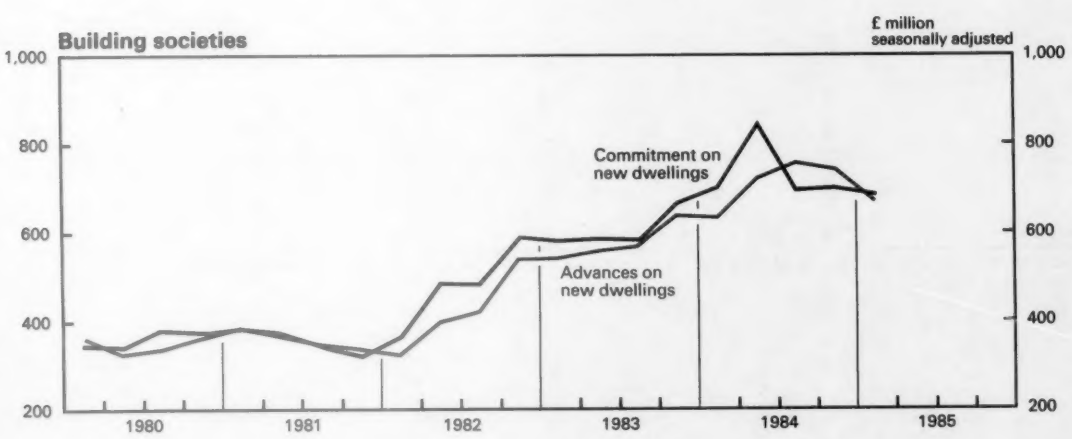
Indicators of fixed investment in dwellings

		Seasonally adjusted								Unadjusted
		£ million, 1980 prices		Thousands				£ million		1980 = 100
				Housing starts (GB)+		Housing completions (GB)+		Building societies		
		Fixed investment in dwellings	Orders received by contractors for new houses (GB)	Private sector	Public sector	Private sector	Public sector	Commitments on new dwellings	Advances on new dwellings	Average price of new dwellings: mortgages approved(1)
		DFDV	FCAA	FCAB	FCAC	FCAD	FCAE	AHLC	AHLH	FCAZ
1976		9 631	5 479	154.7	170.8	152.2	163.0	1 119	1 125	49
1977		8 990	4 501	134.8	132.1	140.8	162.5	1 260	1 175	54
1978		9 209	4 733	157.3	107.4	149.0	130.7	1 523	1 504	65
1979		9 223	4 001	144.0	81.2	140.5	104.0	1 498	1 519	84
1980		8 381	2 702	98.9†	56.4†	127.5†	106.9	1 444	1 406	100
1981		7 202	2 559	116.7	37.2	114.2	84.7	1 427	1 456	102
1982		8 037	3 548	140.5	52.8	123.9	50.1†	1 931	1 716	104
1983		8 677	4 231	169.8	47.6	144.3	50.5	2 419	2 330	116
1984		8 816	3 320	154.2	39.5	153.8	49.7	2 953	2 874	125
		DFEG	FCAS	FCAT	FCAU	FCAV	FCAW	AHLO	AHLS	
1980	1	2 298	850	27.8	16.7	33.9	27.0	347	366	96
	2	2 067	683	26.1	14.8	32.3	27.3	341	332	100
	3	2 132	596	22.0	14.3	31.7	26.7	381	341	102
	4	1 926	574	23.0	10.6	29.6	25.9	375	367	103
1981	1	1 818	621	30.1	8.1	30.5	27.2	383	388	104
	2	1 824	595	28.7	8.5	27.0	22.4	378	371	105
	3	1 770	644	30.8	9.4	28.9	19.1	345	355	102
	4	1 790	699	27.1	11.2	27.8	16.0	321	342	98
1982	1	1 817	796	35.4	13.4	29.8	15.4	370	334	99
	2	1 996	839	33.9	12.7	30.2	12.0	485	410	104
	3	2 032	816	35.4	12.6	30.8	11.4	482	427	104
	4	2 192	999	35.8	14.1	33.1	11.3	594	545	108
1983	1	2 156	1 114	44.6	14.9	33.6	12.0	581	547	111
	2	2 116	994	42.0	11.8	37.2	12.5	590	584	116
	3	2 211	1 062	40.9	9.6	35.4	12.9	583	574	118
	4	2 194	1 064	42.3	11.3	38.1	13.1	665	645	117
1984	1	2 310	1 034	39.7	11.9	38.9	12.1	705	640	121
	2	2 325	921	39.1	10.0	36.8	13.1	850	727	125
	3	2 120	846	35.4	9.4	39.3	12.6	696	761	127
	4	2 061	919	37.0	8.2	38.8	11.9	702	746	125
1985	1	2 109†	921	36.3	8.2	36.8	10.8	686	677	130
	2		873†	41.1†	7.9†	39.8†	10.6†			
1983	J	..	349	13.9	3.1	11.7	4.5	186	187	118
	A	..	340	13.5	3.5	12.0	4.2	192	193	118
	S	..	373	13.5	3.0	11.7	4.2	205	194	117
	O	..	347	15.0	3.9	13.0	4.5	209	195	118
	N	..	361	14.3	3.7	12.3	4.3	227	205	118
	D	..	356	13.0	3.7	12.8	4.3	229	245	116
1984	J	..	334	12.3	4.3	12.6	4.1	218	197	120
	F	..	345	13.0	3.8	12.9	3.8	225	221	120
	M	..	355	14.4	3.8	13.4	4.2	262	222	122
	A	..	321	13.3	3.6	12.4	5.4	261	236	124
	M	..	269	12.5	3.1	11.8	3.7	278	228	126
	J	..	331	13.3	3.3	12.6	4.0	311	263	126
	J	..	338	13.5	3.4	12.9	4.4	248	250	128
	A	..	330	12.9	2.6	13.3	4.5	236	251	129
	S	..	278	12.0	3.4	13.1	3.7	212	260	125
	O	..	315	12.9	2.6	12.4	4.0	214	232	124
	N	..	300	11.3	2.7	12.6	4.1	242	235	125
	D	..	304	12.8	2.9	13.8	3.8	246	279	127
1985	J	..	322	10.5	2.8	11.1	4.1	209	206	130
	F	..	265	11.6	2.5	12.7	3.4	237	230	131
	M	..	334	14.2	2.9	13.0	3.3	240	241	130
	A	..	273	13.7	2.8	13.1	3.4†	209	220	135
	M	..	309	13.3†	2.5†	12.7†	4.0	260	240	132†
	J	..	291†	14.1	2.6	14.0	3.2			

1 Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.


Indicators of fixed investment in dwellings
£ million 1980 prices
seasonally adjusted
Fixed investment
in dwellings
Orders for
new houses (GB)
2,500
2,250
2,000
1,750
1,500
1,250
1,000
750
500
250
0
1980
1981
1982
1983
1984
1985


Housing completions
Percentage change, quarter on corresponding
quarter of previous year seasonally adjusted
Private sector (GB)
Public sector (GB)
40
30
20
10
0
−10
−20
−30
−40
−50
−60
1980
1981
1982
1983
1984
1985


Building societies
£ million
seasonally adjusted
Commitment on
new dwellings
Advances on
new dwellings
1,000
800
600
400
200
1980
1981
1982
1983
1984
1985

Stock changes

£ million, 1980 prices, seasonally adjusted

	All industries	Energy and water supply	Manufacturing(1) - revised definition: Total	Materials and fuels	Work in progress	Finished goods	Distribution: Wholesale(2)	Retail(3)	Other industries
Value of stocks and work in progress end - December 1983(4)	65 923	4 604	31 194	9 776	11 782	9 636	9 728	6 986	13 411
	DGBA	DHBC	DHBM	DGAX	DGAY	DGAW	DHBO	DHBN	DHBR
1979 4	415	186	32	-111	-188	332	327	-88	-42
1980 1	-552	-12	-163	-254	-16	108	-176	-313	112
2	-277	121	-266	-198	-229	162	-395	-73	335
3	-837	-75	-627	-375	-159	-53	70	-33	-172
4	-1 243	128	-1 266	-424	-270	-573	27	1	-133
1981 1	-1 040	83	-787	-346	-150	-290	-35	-3	-278
2	-1 127	-184	-767	-389	-122	-257	-101	114	-209
3	-423	-184	-142	-146	74	-70	-48	-42	-7
4	-149	-223	167	-115	139	142	-27	74	-140
1982 1	443	36	-73	-32	-116	75	228	96	156
2	226	91	-35	-7	23	-50	56	94	20
3	-923	-110	-402	-189	-113	-101	-164	-55	-192
4	-930	125	-628	-286	-225	-117	-212	-132	-83
1983 1	74	93	17	-163	210	-29	-250	-144	358
2	-157	68	-106	-103	-76	73	149	-220	-48
3	204	29	-376	-114	-2	-261	118	193	240
4	234	-104	209	146	-23	86	-4	142	-9
1984 1	-383	-309	-48	-31	-123	106	-170	72	92
2	-304	-80	-60	-35	113	-138	-104	-36	-24
3	-145	-189	56	22	-28	62	-6	-23	17
4	333	-50	113	-9	-51	173	-67	397	-60
1985 1	-139	-117	-258	-37	-159	-62	-35	-2	273

1 Differences between totals and the sum of constituent parts of manufacturing are due to rounding.
2 Classes 61-63 excluding activity heading 6148; wholesale distribution of motor vehicles and parts.
3 Classes 64-65 excluding activity headings 6510 and 6520; retail distribution of motor vehicles and parts, and filling stations.
4 Unadjusted 1980 price stock levels.

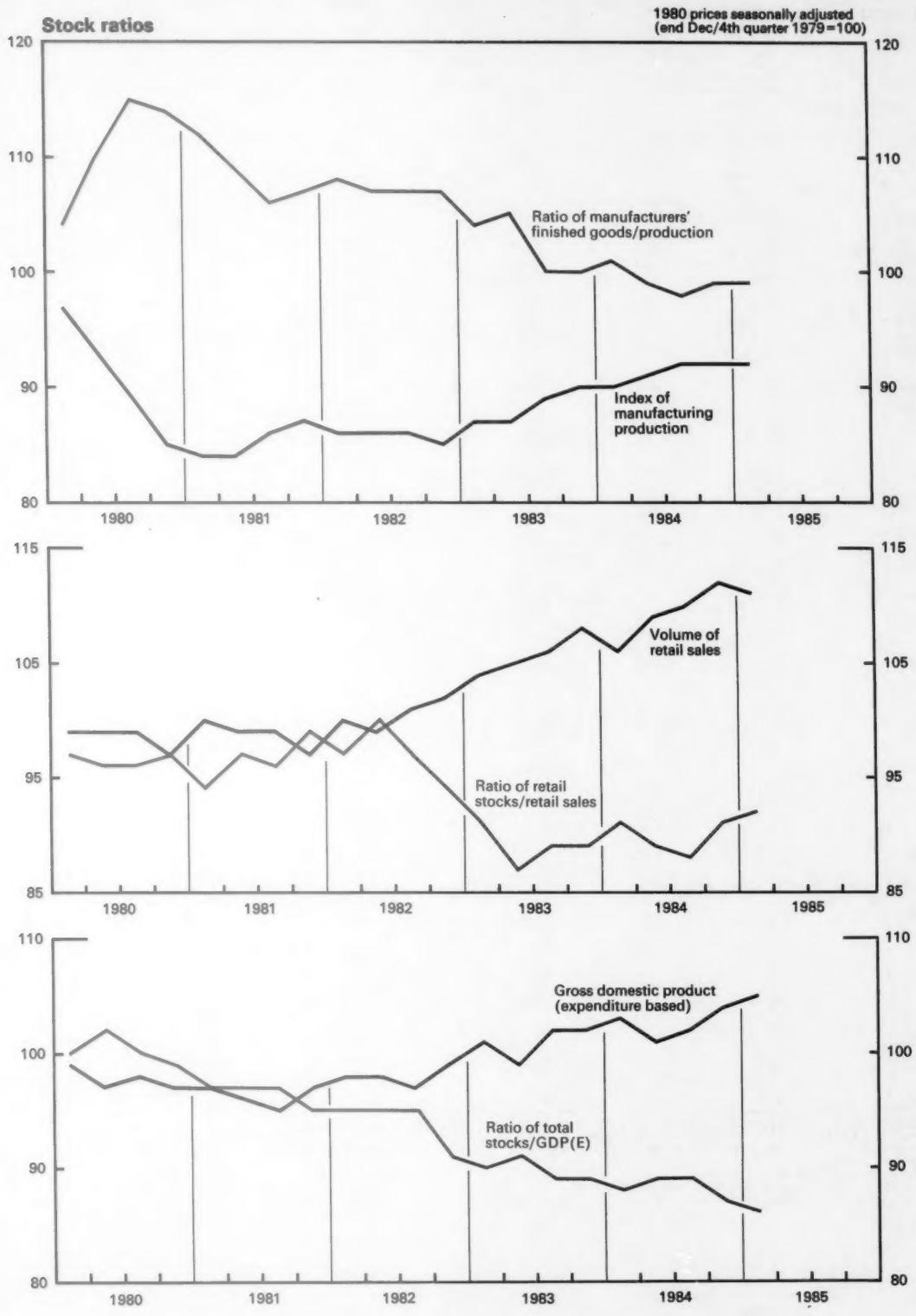
Stock ratios

Seasonally adjusted

1980 prices: stocks level, end - Dec 1979=100; GDP(E), industrial production and retail sales, 4th quarter 1979=100

	Total stocks to gross domestic product (expenditure based)	Manufacturers' stocks to manufacturing production (revised definition): Total stocks	Materials and fuel	Work in progress	Finished goods	Retail stocks to retail sales(1)
	FDCA	FDCB	FDCC	FDCD	FDCE	FDCF
1979 4	100	100	100	100	100	100
1980 1	100	103	101	103	104	96
2	102	106	104	106	110	96
3	100	110	106	109	115	96
4	99	110	106	111	114	97
1981 1	97	109	104	111	112	94
2	97	106	100	109	109	97
3	97	103	97	108	106	96
4	95	103	95	109	107	99
1982 1	95	104	95	108	108	97
2	95	103	95	108	107	100
3	95	103	94	108	107	97
4	91	102	92	107	107	94
1983 1	90	99	89	106	104	91
2	91	99	88	106	105	87
3	89	96	85	104	100	89
4	89	95	85	102	100	89
1984 1	88	95	85	101	101	91
2	89	94	84	101	99	89
3	89	93	83	100	98	88
4	87	94	83	99	99	91
1985 1	86	93	82	98	99	92

1 Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.


Stock ratios
1980 prices seasonally adjusted
(end Dec/4th quarter 1979=100)
120
110
100
90
80
Ratio of manufacturers' finished goods/production
Index of manufacturing production
1980
1981
1982
1983
1984
1985
115
105
95
85
Volume of retail sales
Ratio of retail stocks/retail sales
110
100
90
80
Gross domestic product (expenditure based)
Ratio of total stocks/GDP(E)

Inland energy consumption

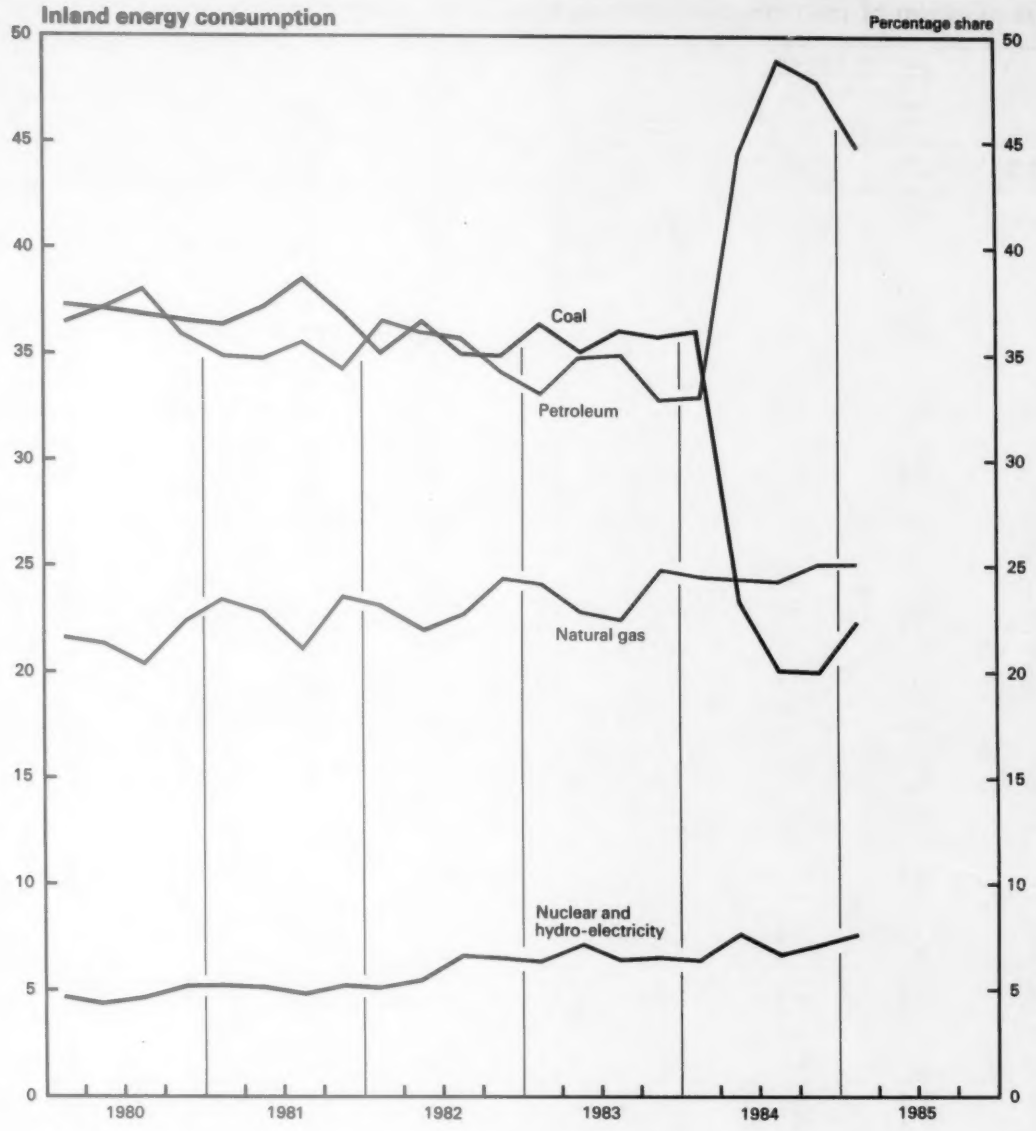
Annual rates, seasonally adjusted and temperature corrected

		Primary fuel input						Public supply
		Million tonnes of coal or coal equivalent						Thousand million kilowatt hours
		Total	Coal(1,2)	Petroleum(3)	Natural gas(4)	Nuclear electricity(5)	Hydro electricity(5)	Electricity available-GB(6)
		FDAA	FDAB	FDAC	FDAD	FDAE	FDAF	FDAG
1974		337.9	117.7	153.1	52.9	12.1	2.1	235.5
1975		326.9	120.6	137.1	56.3	10.9	2.0	234.2
1976		331.5	123 0	134.2	59.5	12.9	1.9	236.7
1977		338.2	122.4	136.8	62.7	14.3	2.0	240.2
1978		335.1	119.4	139.2	65.0	13.4	2.1	246.3
1979		349.3	127.2	137.0	69.1	13.8	2.2	255.0
1980		327.2	120.1	121.2	70.5	13.4	2.0	245.9
1981		315.3	117.5	110.2	71.6	13.7	2.3	239.2
1982		311.7	109.6	110.8	72.9	16.0	2.4	236.2
1983		313.6	111.6	105.9	75.6	18.1	2.4	242.3
1984		312.1	78.5	134.7	77.3	19.5	2.1	246.0
		FDAH	FDAI	FDAJ	FDAK	FDAL	FDAM	FDAN
1979	4	342.1	124.8	129.8	71.1	14.0	2.4	252.0
1980	1	333.9	121.5	124.4	72.4	13.8	1.8	242.5
	2	328.3	122.1	122.0	69.9	12.9	1.4	248.1
	3	323.7	119.3	123.1	66.1	12.5	2.7	249.0
	4	321.2	117.6	115.4	71.7	14.2	2.3	244.1
1981	1	317.9	115.9	111.1	74.4	13.5	3.0	235.7
	2	311.7	116.1	108.5	71.1	14.1	1.9	238.9
	3	319.2	123.0	113.5	67.5	13.4	1.8	242.0
	4	312.9	115.6	107.4	73.6	13.8	2.5	240.3
1982	1	312.3	109.4	114.4	72.6	13.5	2.4	238.3
	2	305.3	111.4	110.0	67.2	14.2	2.5	235.4
	3	317.7	111.3	113.7	71.8	18.8	2.1	243.5
	4	307.3	107.4	105.0	74.9	17.4	2.6	236.3
1983	1	311.0	113.1	103.0	75.3	16.8	2.8	236.4
	2	310.6	109.0	106.4	71.1	19.4	2.7	241.7
	3	322.1	116.3	112.6	72.6	18.9	1.7	248.4
	4	309.4	110.9	101.7	76.8	17.8	2.2	242.8
1984	1	312.3	112.8	103.1	76.6	17.5	2.4	242.3
	2	306.6	71.9	136.5	74.7	21.6	2.0	244.3
	3	312.3	62.6	152.8	76.0	19.5	1.4	250.3
	4	313.1	62.6	149.9	78.5	20.1	2.0	247.2
1985	1	319.1†	71.6	143.0†	80.1	22.9	1.5	249.8

Percentage change, quarter on corresponding quarter of previous year

		FDAO	FDAP	FDAQ	FDAR	FDAS	FDAT	FDAU
1979	4	-0.4	-0.3	-5.0	+6.9	+12.0	-4.0	+2.6
1980	1	-4.4	-0.2	-11.8	+3.0	-4.8	+20.0	-4.0
	2	-7.7	-7.0	-12.5	+0.7	-3.0	-41.7	-3.7
	3	-8.1	-9.5	-10.7	-0.8	-6.0	+3.8	-3.4
	4	-6.1	-5.8	-11.1	+0.8	+1.4	-4.2	-3.1
1981	1	-4.8	-4.6	-10.7	+2.8	-2.2	+66.7	-2.8
	2	-5.1	-4.9	-11.1	+1.7	+9.3	+35.7	-3.7
	3	-1.4	+3.1	-7.8	+2.1	+7.6	-33.3	-2.8
	4	-2.6	-1.7	-6.9	+2.6	-2.8	+8.7	-1.6
1982	1	-1.7	-5.6	+2.9	-2.3	+0.4	-20.0	+1.1
	2	-2.0	-0.4	+1.3	-5.4	+0.4	+30.4	-1.5
	3	-0.5	-5.5	+0.1	+6.7	+40.2	+14.7	+0.6
	4	-1.8	-7.1	-2.2	+1.7	+25.5	+4.6	-1.7
1983	1	-1.4	+0.5	-10.0	+3.7	+23.9	+18.5	-0.8
	2	+1.6	-2.5	-1.5	+5.8	+36.7	+8.8	+2.7
	3	+0.9	+3.1	-1.0	+1.1	+0.5	-19.7	+2.0
	4	+1.0	+4.3	-3.1	+2.5	+2.3	-14.0	+2.8
1984	1	+0.4	-0.2	-	+1.7	+4.3	-15.8	+2.5
	2	-1.3	-34.0	+25.9	+5.0	+10.9	-25.8	+1.1
	3	-3.0	-46.1	+35.8	+4.7	+2.8	-15.6	+0.8
	4	+1.2	-43.5	+47.5	+2.2	+12.6	-9.6	-1.2
1985	1	+2.2	-36.5	+38.7	+4.6	+31.0	-36.1	+3.1

1 Consumption by fuel producers plus colliery disposals to final users plus net foreign trade and stock change in other solid fuels.
2 Coal data for 1983 have been adjusted, for the purposes of comparison with 1984, to take account of calendar differences between 1983 and 1984.
3 Inland deliveries for energy use plus refinery fuel and losses minus the difference between deliveries and actual consumption at power stations and gas works.
4 Excluding gas flared or re-injected.
5 Nuclear and hydro electricity are not temperature corrected.
6 The inclusion of Northern Ireland would add about 2 per cent to the total.

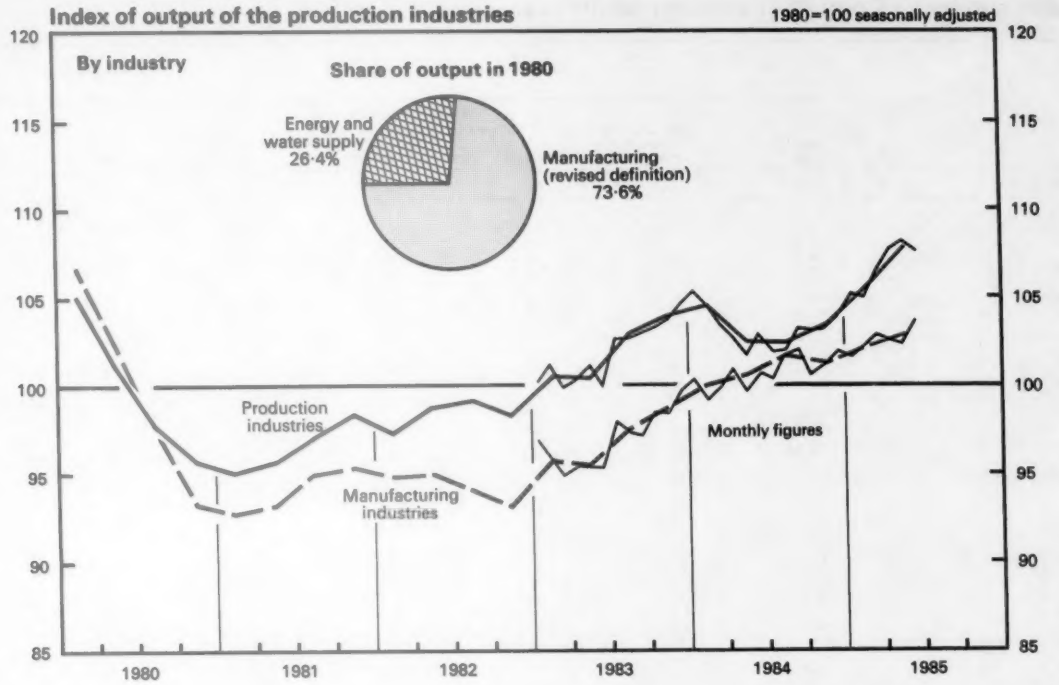

Inland energy consumption
Percentage share
50
45
40
35
30
25
20
15
10
5
0
Coal
Petroleum
Natural gas
Nuclear and
hydro-electricity
1980
1981
1982
1983
1984
1985

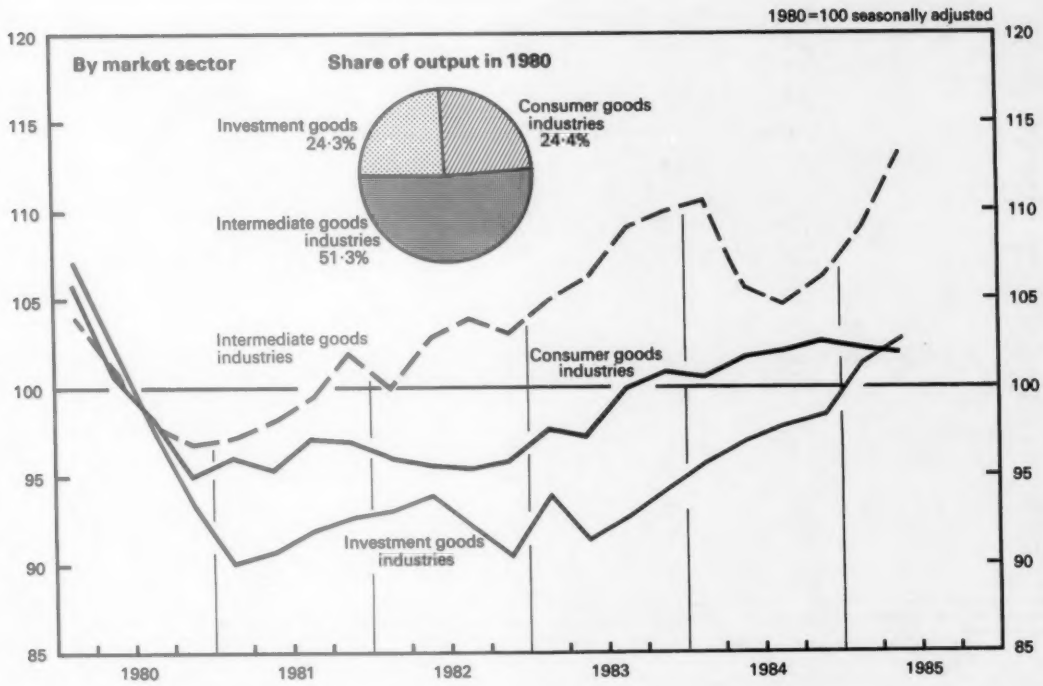
Index of output of the production and construction industries

1980 = 100, seasonally adjusted

		Total production industries	Energy and water supply	Total Manufacturing industries	Construction	Total production and construction	Consumer goods industries	Investment goods industries	Intermediate goods industries
1980 weights		1 000	254	736			245	243	512
PPT of GDP(O)		361	95	266	63(1)	424	88	88	185
		DVLQ	DVLR	DVLW	DVMS	DVMR	DVMT	DVMZ	DVND
1979		107.1	100.5	109.5	105.8†	106.9	108.3	104.8	107.9
1980		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981		96.6	103.9	94.0	89.9	95.6	96.4	91.3	99.2
1982		98.4	110.0	94.2	91.6	97.3	95.8	92.3	102.3
1983		101.9	115.9	96.9	95.3	100.9	98.9	92.9	107.5
1984		103.1	110.0	100.6	96.3	102.4	101.6	97.1	106.6
		DVSY	DVGZ	DVHE	DVJO	DVJN	DVHZ	DVIF	DVIJ
1979	4	107.4	100.2	110.0	107.2†	107.4†	107.5	105.9	108.2
1980	1	105.2	100.7	106.8	104.9	105.2	105.9	107.3	104.2
	2	101.2	98.0	102.4	101.5	101.2	100.7	101.9	101.1
	3	97.8	98.9	97.4	100.5	98.3	98.5	97.5	97.9
	4	95.7	102.4	93.3	93.0	95.3	95.0	93.3	95.8
1981	1	95.1	102.0	92.7	92.4	94.8	96.0	90.0	97.2
	2	95.7	102.8	93.2	89.5	94.8	95.3	90.7	98.2
	3	97.2	103.5	94.9	90.9	96.2	97.2	91.9	99.5
	4	98.4	107.0	96.3	86.9	96.7	96.9	92.7	101.8
1982	1	97.4	104.6	94.8	89.1	96.1	96.2	93.0	99.9
	2	98.7	109.4	94.9	90.6	97.5	95.7	93.8	102.7
	3	99.1	113.2	94.0	92.6	98.1	95.6	92.1	103.8
	4	98.3	112.9	93.1	94.3	97.7	95.9	90.4	103.0
1983	1	100.4	113.1	95.8	93.7	99.4	97.6	93.8	104.8
	2	100.4	114.3	95.5	92.1	99.1	97.4	91.3	106.2
	3	102.8	117.6	97.4	97.7	102.0	99.9	92.6	109.0
	4	103.9	118.4	98.7	97.6	103.0	100.8	94.2	110.0
1984	1	104.4	117.2	99.8	96.8	103.2	100.5	95.7	110.3
	2	102.4	108.0	100.4	97.9	101.7	101.6	96.8	105.5
	3	102.3	105.2	101.3	100.2	102.1	102.0	97.7	104.6
	4	103.4	108.5	101.2	98.3	102.6	102.5	98.3	106.1
1985	1	105.5†	114.9	102.2†	101.1	104.9	102.2†	101.3†	108.9†
	2	107.8	121.7†	102.8			101.8	102.6	113.2
1983	F	101.1	116.3	95.7	..	..	98	94	106
	M	99.9	113.7	94.9	..	..	97	92	105
	A	100.3	114.0	95.4	..	..	97	91	106
	M	101.1	116.1	95.7	..	..	97	92	107
	J	99.9	112.9	95.3	..	..	98	91	105
	J	102.6	115.7	97.9	..	..	100	93	108
	A	102.7	117.9	97.3	..	..	100	93	109
	S	103.0	119.3	97.1	..	..	99	92	110
	O	103.3	117.4	98.3	..	..	101	93	109
	N	103.7	118.8	98.3	..	..	100	94	110
	D	104.7	118.9	99.6	..	..	102	96	111
1984	J	105.3	119.1	100.3	..	..	101	97	111
	F	104.5	119.3	99.2	..	..	100	95	111
	M	103.4	113.3	99.6	..	..	101	95	109
	A	102.7	107.7	100.9	..	..	103	97	105
	M	101.7	107.4	99.6	..	..	101	96	105
	J	102.8	108.9	100.6	..	..	101	98	106
	J	101.8	105.8	100.3	..	..	101	97	104
	A	102.0	103.0	101.6	..	..	102	98	104
	S	103.2	106.7	102.0	..	..	103	98	106
	O	103.1	110.3	100.5	..	..	103	97	106
	N	103.2	109.0	101.1	..	..	102	98	106
	D	103.8	109.2	101.9	..	..	103	100	106
1985	J	105.1†	114.7	101.8†	..	..	102†	100†	109†
	F	105.0	113.0†	102.1	..	..	102	101	108
	M	106.5	116.9	102.8	..	..	102	102	110
	A	107.6	121.9	102.5	..	..	102	102	113
	M	108.2	124.6	102.3	..	..	102	102	114
	J	107.6	118.7	103.6	..	..	103	104	112

1 For an index of construction output for Great Britain, see page 30.

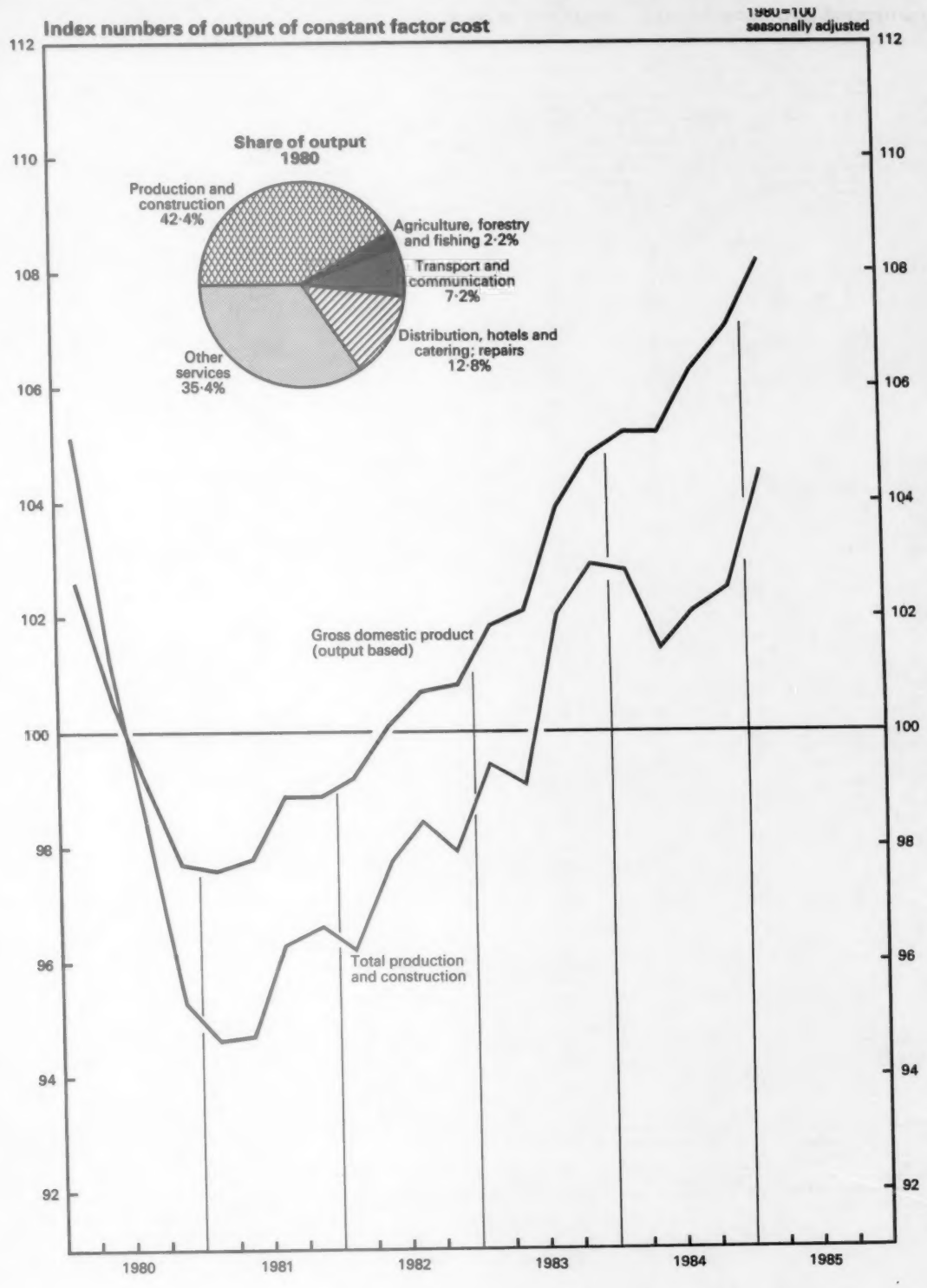

Index of output of the production industries
1980=100 seasonally adjusted
By industry
Share of output in 1980
Energy and water supply 26·4%
Manufacturing (revised definition) 73·6%
Production industries
Manufacturing industries
Monthly figures
120
115
110
105
100
95
90
85
1980
1981
1982
1983
1984
1985


1980=100 seasonally adjusted
By market sector
Share of output in 1980
Investment goods 24·3%
Consumer goods industries 24·4%
Intermediate goods industries 51·3%
Intermediate goods industries
Consumer goods industries
Investment goods industries
120
115
110
105
100
95
90
85
1980
1981
1982
1983
1984
1985

Index numbers of output at constant factor cost

		Seasonally adjusted					
		1980 = 100					
		Gross domestic product	Agriculture, forestry and fishing	Production and construction(1)	Distribution, hotels and catering, repairs	Transport and communication	Other services
1980 weights		1 000	22	424	128	72	354
		DIAX	CKAP	DVMR	CKAQ	CKAR	CKAS
1976		93.9	75.3	95.8†	99.6	92.3	91.2
1977		96.5	85.1	99.6	99.0	94.9	92.8
1978		99.9	91.5	103.4	104.8	97.3	94.9
1979		103.0	90.6	106.9	107.9	101.6	97.6
1980		100.0	100.0	100.0	100.0	100.0	100.0
1981		98.3	102.4	95.6	98.1	98.9	101.2
1982		100.2	111.0	97.3	100.0	98.7	103.2
1983		103.1	106.4	100.9	103.5	102.1	105.8
1984		105.9	119.1	102.4	107.0	107.1	108.9
		DSAE		DVJN			
1979	2	104.4	89	108.9	112	103	97
	3	103.2	90	107.3	106	104	98
	4	103.7	94	107.4†	108	103	99
1980	1	102.6	97	105.2	105	103	99
	2	100.6	100	101.2	101	101	100
	3	99.1	101	98.3	98	99	100
	4	97.7	101	95.3	97	98	101
1981	1	97.6	101	94.8	98	98	101
	2	97.8	101	94.8	98	98	101
	3	98.9	103	96.2	99	100	102
	4	98.9	105	96.7	97	100	102
1982	1	99.3	109	96.1	99	99	103
	2	100.1	112	97.5	99	99	103
	3	100.7	113	98.1	101	98	103
	4	100.8	111	97.7	101	99	104
1983	1	101.8	106	99.4	102	101	105
	2	102.1	104	99.1	103	101	105
	3	103.9	106	102.0	104	103	106
	4	104.8	110	103.0	105	104	107
1984	1	105.2	115	103.2	105	105	108
	2	105.2	119	101.7	106	105	108
	3	105.3	121	102.1	107	109	109
	4	107.0	121	102.6	109	109	110
1985	1	108.6†	120	104.9	109	112†	112†
	2	109.3					
		Percentage change, quarter on corresponding quarter of previous year					
1979	2	+4.6	-4	+4.8	+8	+6	+3
	3	+2.3	-3	+2.4	-1	+7	+3
	4	+2.5	+2	+2.9	-	+5	+3
1980	1	+1.9	+8	+1.1	-1	+7	+3
	2	-3.6	+13	-7.1	-10	-2	+3
	3	-4.0	+13	-8.4	-8	-5	+2
	4	-5.8	+8	-11.3	-11	-5	+2
1981	1	-4.9	+3	-9.9	-6	-5	+2
	2	-2.8	+1	-6.3	-3	-3	+1
	3	-0.2	+1	-2.1	+1	+1	+1
	4	+1.2	+4	+1.5	+1	+2	+1
1982	1	+1.8	+8	+1.4	+1	-	+2
	2	+2.4	+11	+2.8	+1	+1	+2
	3	+1.8	+10	+2.0	+2	-1	+2
	4	+2.0	+5	+1.0	+4	-1	+2
1983	1	+2.5	-2	+3.4	+3	+2	+2
	2	+1.9	-7	+1.6	+3	+2	+3
	3	+3.2	-6	+4.0	+4	+5	+3
	4	+4.0	-1	+5.4	+4	+5	+3
1984	1	+3.4	+8	+3.8	+3	+4	+3
	2	+3.1	+14	+2.6	+4	+4	+3
	3	+2.3	+15	+0.1	+3	+6	+3
	4	+2.1	+10	-0.4	+4	+6	+3
1985	1	+3.2	+4	+1.6	+4	+7	+3
	2	+3.9					

1 The latest revisions to this column may not yet have been fully taken into account in the calculation of the series shown for overall gross domestic product.


Index numbers of output of constant factor cost
1980=100
seasonally adjusted
Share of output
1980
Production and construction 42·4%
Agriculture, forestry and fishing 2·2%
Transport and communication 7·2%
Distribution, hotels and catering; repairs 12·8%
Other services 35·4%
Gross domestic product (output based)
Total production and construction
112
110
108
106
104
102
100
98
96
94
92
1980
1981
1982
1983
1984
1985

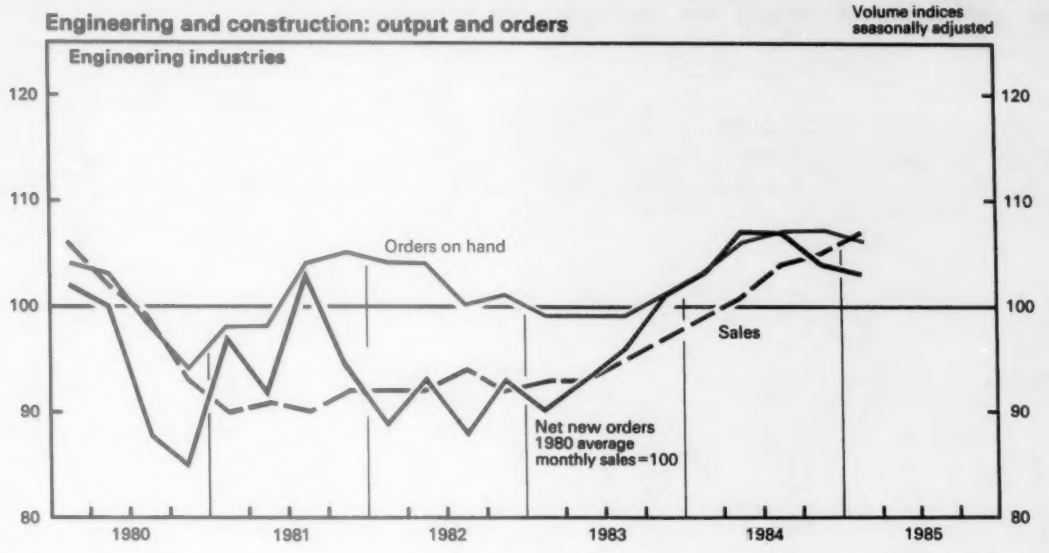
Engineering and construction: output and orders

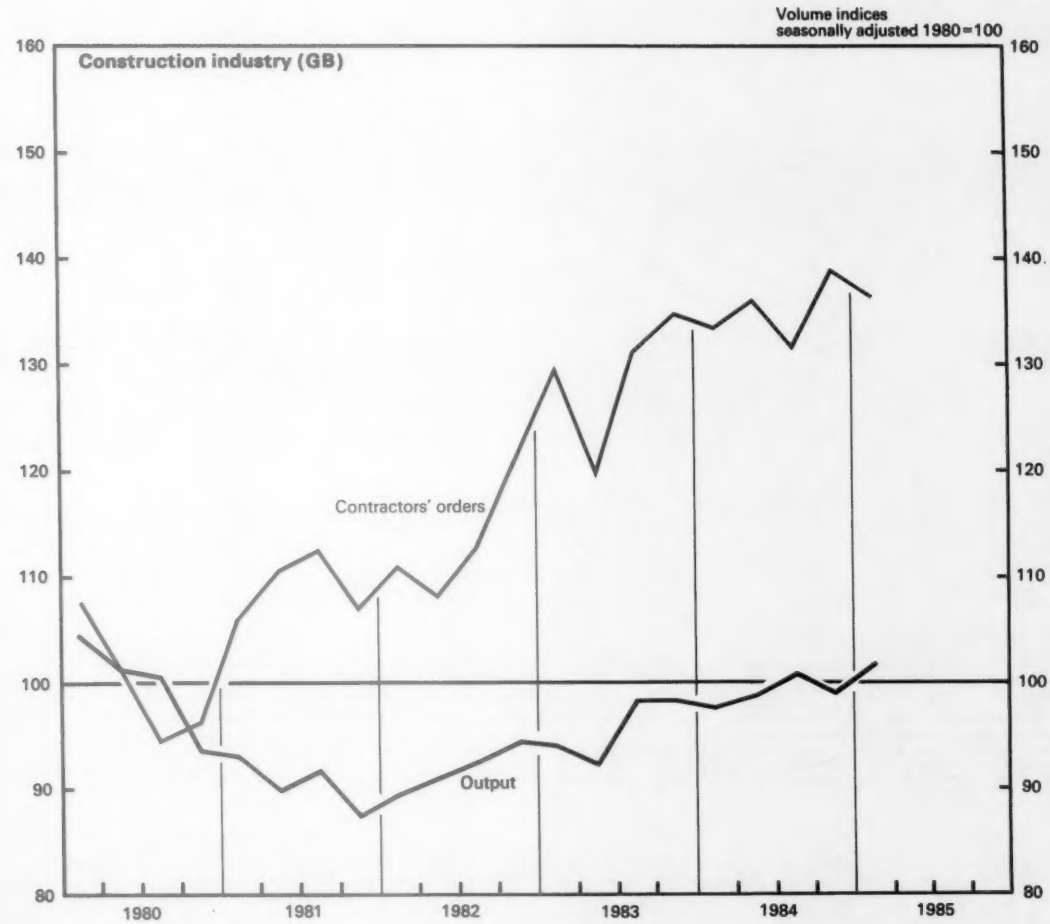
Seasonally adjusted volume index numbers

		Engineering industries(1)							Construction(GB)	
		Total[1]			Home market		Export			
		Sales	Orders on hand end of period	New orders(2)	Orders on hand end of period	New orders(2)	Orders on hand end of period	New orders(2)	Output(3,4)	Orders received
		1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	Average 1980 = 100	1980 average monthly sales = 100	1980 = 100	1980 = 100
		FEAA	DKCJ	FEAC	FEAV	FEAE	FEAX	FEAG	FEAB	FEAD
1980		100	94	94	91	92	88	96	100.0	100.0
1981		91	105	97	103	95	111	88	90.5	109.1
1982		93	101	90	102	93	99	85	91.9	113.2
1983		95	101	95	98	95	107	94	95.7	128.8
1984		102	107	105	98	103	123	110	99.0	135.0
		FEAJ		FEAL		FEAN		FEAP	FEAQ	FEAZ
1981	1	90	98	97	97	102	98	88	93.0	106.1
	2	91	98	92	100	96	95	84	89.9	110.6
	3	90	104	103	102	92	109	125	91.7	112.5
	4	92	105	94	103	92	111	97	87.3	107.0
1982	1	92	104	88	102	91	107	84	89.4	110.9
	2	92	104	92	101	92	106	94	91.0	108.1
	3	94	100	87	100	93	100	76	92.7	112.8
	4	92	101	93	102	97	99	84	94.4	120.9
1983	1	93	99	90	97	87	103	98	94.0	129.5
	2	93	99	93	96	93	104	92	92.3	119.8
	3	95	99	95	97	101	103	85	98.2	131.1
	4	97	101	101	98	100	107	101	98.3	134.8
1984	1	99	103	103	100†	105	110	100	97.6	133.4
	2	101	106	107	100	102	117	116	98.8	136.0
	3	104	107	106	99	101	122	117	100.9	131.5
	4	105	107	104	98	103	123	108	99.0	138.9
1985	1	105	106†	102	98	104	119	99	101.8	136.3
	2									134.5†
		FEAS		FEAU		FEAW		FEAY		
1983	J	94	99	86	101	89	97	78	..	134.3
	F	93	100	100	99	89	102	122	..	122.5
	M	92	99	86	97	82	103	93	..	131.7
	A	94	100	98	96	88†	107	119	..	128.2
	M	95	99	91	96	98	105	78	..	119.8
	J	90†	99	89	96	94	104	80	..	111.4
	J	98	99	99†	97	104	104	88	..	137.0
	A	95	99	94	97	102	103	80†	..	121.8
	S	94	99	94	97	97	103	87	..	134.5
	O	96	98	97	97	98	104	95	..	127.8
	N	95	98†	101	98	101	106†	101	..	138.5
	D	100	101	104	98	102	107	108	..	138.0
1984	J	99	102	104	99	107	107	96	..	134.8
	F	97	103	104	99	103	110	107	..	130.6
	M	100	103	102	100†	105	110	98	..	134.7
	A	100	105	108	100	107	112	111	..	124.2
	M	99	105	103	100	96	115	116	..	130.4
	J	104	106	109	100	102	117	123	..	153.5
	J	103	107	106	99	101	120	117	..	128.7
	A	103	106	100	98	92	121	117	..	136.2
	S	106	107	115	99	114	122	116	..	129.5
	O	102	108	107	99	101	124	117	..	144.1
	N	104	108	101	99	100	123	104	..	138.4
	D	108	107	104	98	104	123	104	..	134.1
1985	J	103	107	100	97	96	123	106	..	146.8
	F	105	107	107	98	106	123	109	..	121.9
	M	112	106	103	98	112	119	85	..	140.2
	A	104	105	101	97	98	120	112	..	131.9†
	M	105	106	110	97	103	121	124	..	147.4
	J								..	124.1

1 Mechanical, instrument and electrical engineering (SIC classes 32, 33, 34 and 37).
2 Net of cancellations.
3 This index is based on an output series which includes repair and maintenance estimates, unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.
4 Details of the method of deflation to constant prices are given in Economic Trends, No.297, July 1978.

Engineering and construction: output and orders



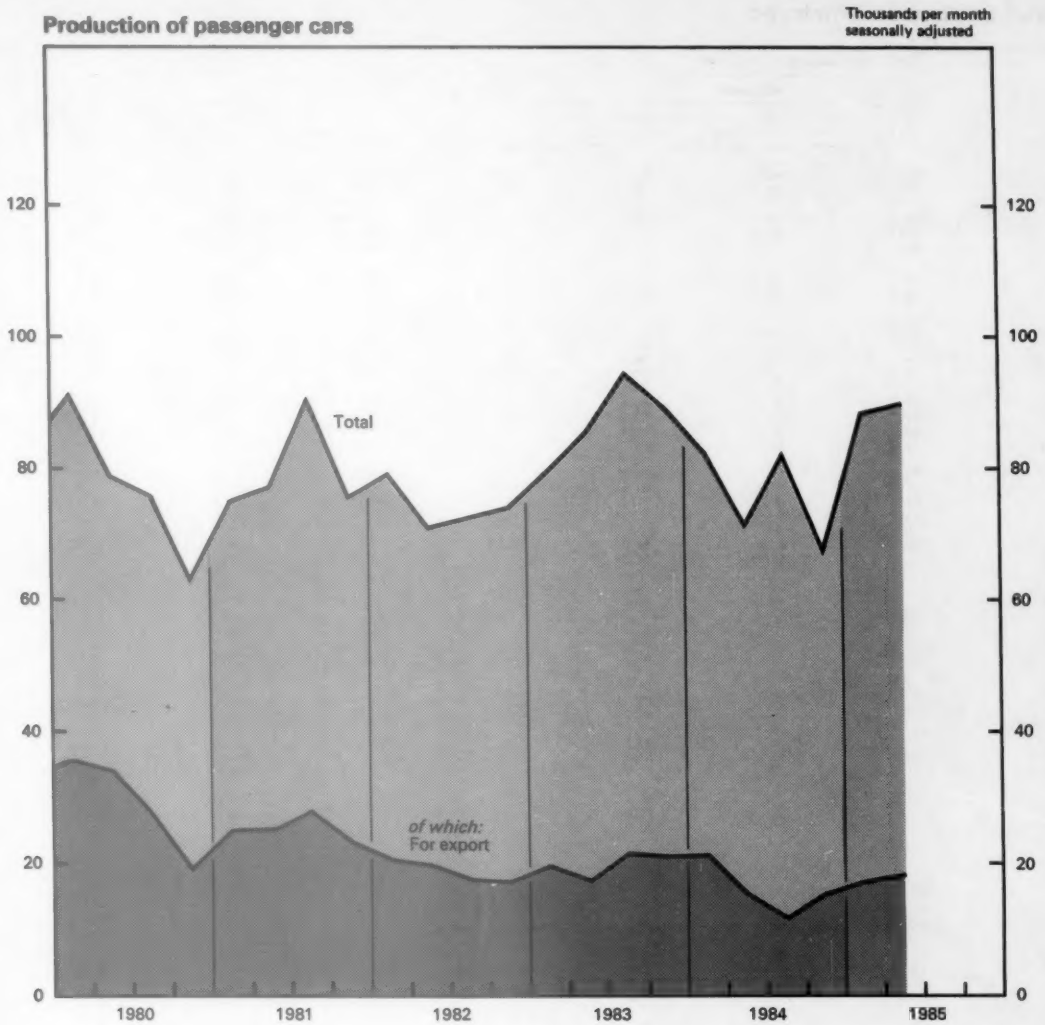


Motor vehicle production and steel production and consumption

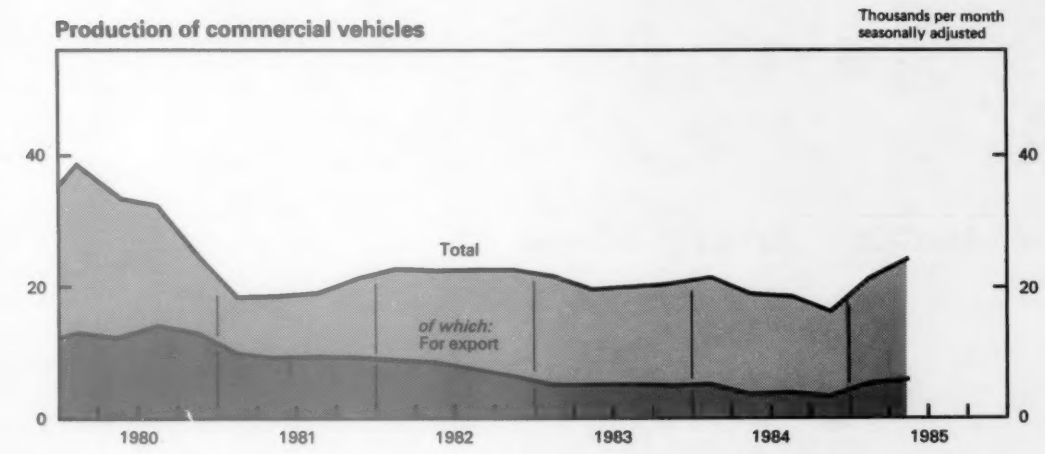
		Seasonally adjusted					
		Thousands(1)				Thousand tonnes	
		Passenger cars*		Commercial vehicles*			
		Total	Production for export	Total	of which: For export	Crude steel production(2,3,4)	Finished steel consumption
		FFAA	FFAB	FFAC	FFAD	FFAF	FFAE
1974		127.8	49.7	33.5	14.2	22 323	17 548
1975		105.6	44.3	31.7	15.5	20 098	15 446
1976		111.1	47.1	31.0	15.8	22 274	15 804
1977		108.7	46.9	33.2	16.4	20 411	15 300
1978		101.9	41.2	32.0	14.1	20 311	15 710
1979		89.2	32.7	34.0	13.5	21 484	15 480
1980		77.0	29.1	32.4	13.0	11 277	12 770
1981		79.5	25.4	19.1	9.5	15 573	12 440
1982		74.0	18.9	22.4	7.7	13 704	12 300
1983		87.0	19.8	20.4	5.2	14 986	11 620
1984		75.7	16.0	18.7	4.1	15 121	11 442
		FFAO	FFAP	FFAQ	FFAR	FFAM	FFAN
1981	1	74.7	25.0	18.1	9.9	3 585	2 994
	2	77.0	25.3	18.3	9.3	3 892	3 024
	3	90.8	27.9	19.1	9.6	3 813	3 272
	4	75.5	23.3	21.2	9.4	4 018	3 150
1982	1	79.1	20.6	22.3	8.8	4 030	3 228
	2	70.9	19.8	22.2	8.4	3 840	3 232
	3	72.1	17.7	22.5	7.5	3 054	2 980
	4	73.9	17.2	22.5	6.1	2 720	2 880
1983	1	79.3	19.4	21.7	5.2	3 768	2 841
	2	85.7	17.6	19.6	5.3	3 813	2 919
	3	94.1	21.2	20.0	5.3	3 690	2 854
	4	89.1	21.0	20.2	5.1	3 862	3 006
1984	1	82.4	21.4	21.2	5.3	3 983	2 876
	2	71.3	15.5	19.0	3.7	3 804	2 742
	3	82.1	11.8	18.6	3.9	3 743	2 934
	4	67.2	15.4	16.1	3.7	3 766	2 892
1985	1	88.4	17.3	21.4	5.1	3 766	2 900
	2	89.8†	18.1†	24.3†	5.9†		
						FFAT	
1983	A	86.0	15.6	20.5	4.9	1 116	..
	M	100.1	20.4	20.4	5.4	1 241	..
	J	91.1	16.8	18.0	5.7	1 456	..
	J	91.0	18.4	18.6	5.0	1 094	..
	A	99.3	25.0	21.6	5.5	1 339	..
	S	91.9	20.2	19.7	5.3	1 258	..
	O	86.6	18.6	19.0	4.1	1 131	..
	N	94.2	23.2	21.3	5.5	1 454	..
	D	86.6	21.1	20.3	5.7	1 076	..
1984	J	92.4	28.2	22.7	6.3	1 164	..
	F	77.9	17.9	21.1	5.1	1 560	..
	M	76.8	18.0	19.8	4.4	1 239	..
	A	74.5	15.7	20.7	3.8	1 112	..
	M	75.2	15.0	18.8	3.6	1 331	..
	J	64.2	15.8	17.5	3.7	1 160	..
	J	79.2	7.4	19.1	3.7	1 262	..
	A	85.4	13.3	18.6	3.8	1 271	..
	S	81.6	14.7	18.1	4.2	1 210	..
	O	77.9	14.9	17.4	4.0	1 494	..
	N	55.8	13.9	15.2	3.6	1 204	..
	D	68.0	17.4	15.8	3.6	1 069	..
1985	J	90.0	21.8	19.4	4.3	1 290	..
	F	85.4	15.2	22.1	5.0	1 153	..
	M	89.9	14.8	22.7	6.1	1 323	..
	A	89.0	19.7	23.8	5.3	1 327	..
	M	87.8	19.1	22.5	6.5	1 605†	..
	J	92.5†	15.6†	25.6†	6.0†	1 330	..

1 Monthly averages or standardised calendar months.
2 The totals are for 'usable steel' in accordance with the system used by the EC and the International Iron and Steel Institute.
3 The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
4 September and December 1982 are 5-week periods, as are March, June, August and November 1983 and February, May, August and October 1984.

Production of passenger cars



Production of commercial vehicles



Output per person employed

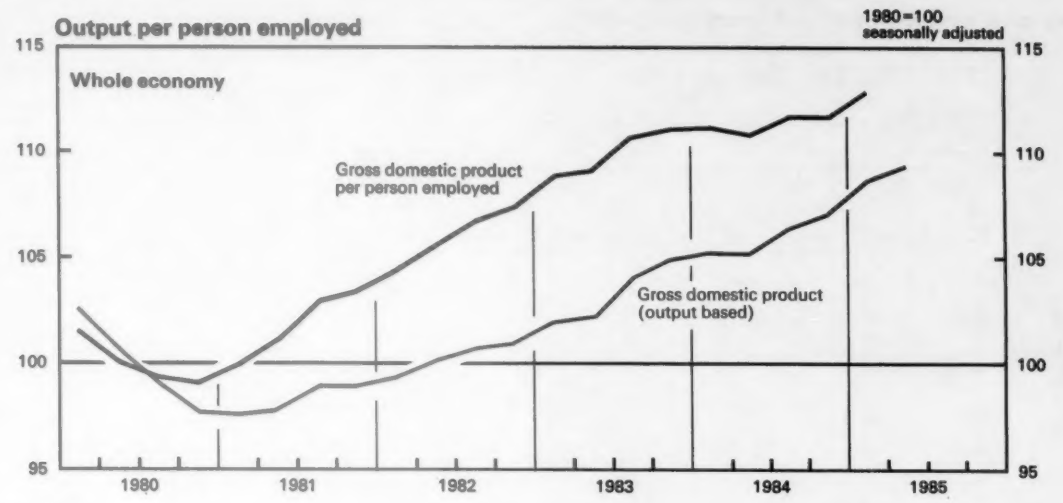
1980 = 100, seasonally adjusted

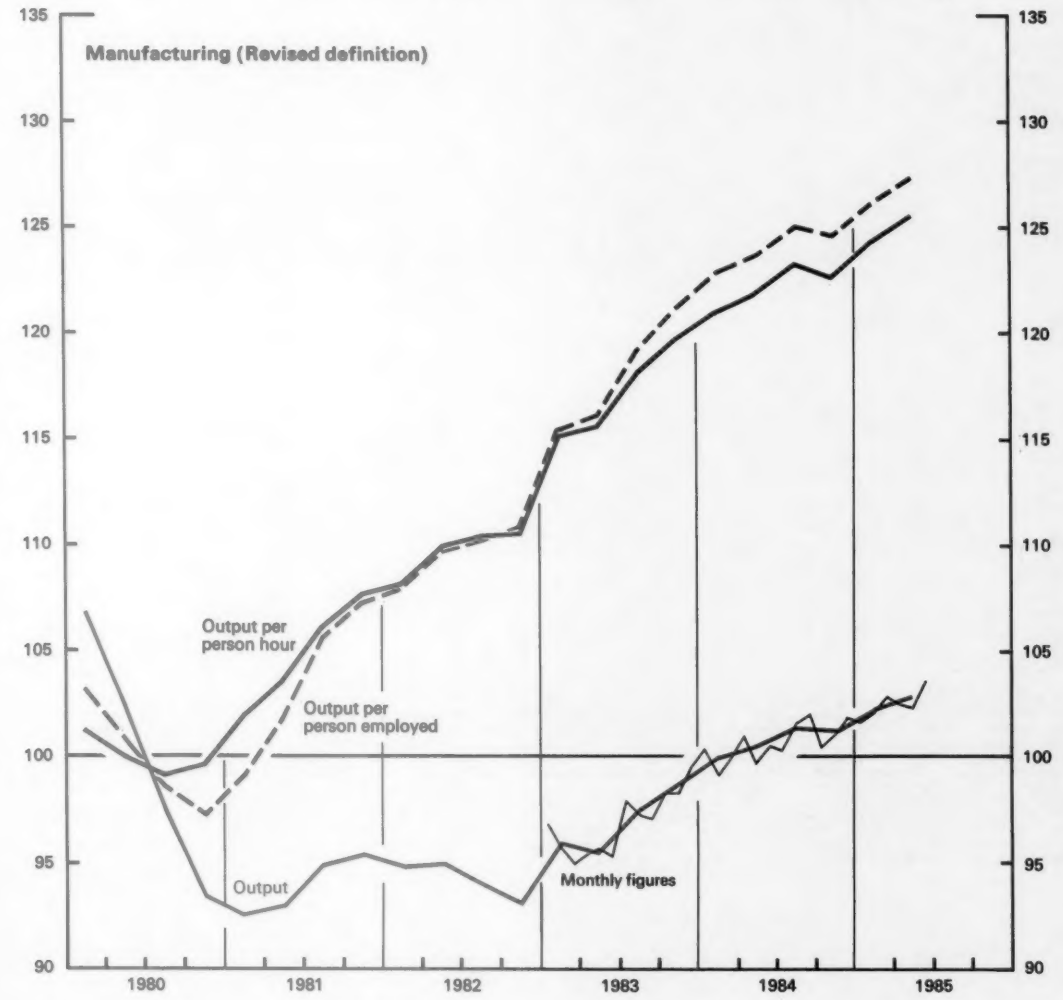
		Employment			Output per person employed(1)			Output per hour in manufacturing industries(2)
		Total employed labour force	Total production industries(2)	Manufacturing industries(2)	Whole economy	Total production industries(2)	Manufacturing industries(2)	
		DMBC	DMBK	DMBD	DMBE	CAIW	DMBF	DMBH
1980		100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981		96.6	91.5	91.0	101.8	105.6	103.5	104.8
1982		94.6	86.7	86.0	106.0	113.4†	109.6	109.7
1983		93.9	83.0	82.2	109.9	122.8	116.0	117.1†
1984		95.2	81.7	81.2	111.3	126.2	124.0	122.2
1981	2	96.8	92.0	91.5	101.1	104.0	101.9	103.6
	3	96.2	90.7	90.0	102.8	107.2	105.6	106.1
	4	95.7	89.5	88.8	103.3	109.9†	107.3	107.6
1982	1	95.3	88.5	87.8	104.3	110.1	108.0	108.1
	2	94.9	87.4	86.7	105.5	112.9	109.6	109.7†
	3	94.4	86.2	85.4	106.7	115.0	110.2	110.4
	4	93.9	84.9	84.1	107.4	115.8	110.7	110.6
1983	1	93.6	83.9	83.1	108.8	119.7	115.5	115.2
	2	93.6	83.1	82.3	109.1	120.8	116.1	115.6
	3	93.9	82.6	81.9	110.7	124.5	119.1†	118.1
	4	94.4	82.3	81.6	111.1	126.4	121.2	119.6
1984	1	94.8	81.9	81.3	111.1	127.5	122.8	121.0
	2	95.0	81.8	81.3	110.8	125.2	123.6	121.8
	3	95.3	81.7	81.2	111.6	125.3	124.9	123.3
	4	95.6	81.6	81.2	111.8	125.7	124.6	122.6
1985	1	96.0	81.4	81.0	112.8	129.7	126.2	124.3
	2		81.1†	80.8†		132.9	127.3	125.5
1984	F	..	..	81.3	..	..	122.2	120.3
	M	..	..	81.2	..	..	123.0	121.3
	A	..	..	81.2	..	..	124.3	122.5
	M	..	..	81.3	..	..	122.7	120.9
	J	..	..	81.3	..	..	123.8	122.1
	J	..	..	81.2	..	..	123.6	122.0†
	A	..	..	81.1	..	..	125.4†	123.8
	S	..	..	81.2	..	..	125.7	124.1
	O	..	..	81.2	..	..	123.8	121.9
	N	..	..	81.2	..	..	124.6	122.6
	D	..	..	81.2	..	..	125.5	123.4
1985	J	..	..	81.1	..	..	125.4	123.4
	F	..	..	81.0	..	..	126.1	124.2
	M	..	..	80.9	..	..	127.2	125.2
	A	..	..	80.8	..	..	127.0	125.8
	M	..	..	80.8	..	..	126.7	124.6
	J	..	..	80.8†	..	..	128.3	126.1

Percentage change, quarter on corresponding quarter of previous year

1981	1	-3.3	-8.8	-9.6	-1.7	-0.8	-4.0	+0.5
	2	-3.8	-9.4	-10.0	+1.0	+4.3	+1.1	+3.6
	3	-3.6	-8.4	-9.1	+3.5	+8.4	+7.1	+7.0
	4	-3.0	-7.2	-7.4	+4.3	+10.7	+10.2	+8.1
1982	1	-2.5	-5.9	-6.1	+4.4	+8.7	+8.9	+6.1
	2	-2.0	-5.0	-5.3	+4.4	+8.6	+7.6	+6.0
	3	-1.9	-5.0	-5.1	+3.8	+7.3	+4.4	+4.0
	4	-1.9	-5.1	-5.3	+4.0	+5.4	+3.2	+2.8
1983	1	-1.8	-5.2	-5.4	+4.3	+8.7	+6.9	+6.6
	2	-1.4	-4.9	-5.0	+3.4	+7.0	+5.9	+5.4
	3	-0.5	-4.2	-4.1	+3.7	+8.3	+8.1	+7.0
	4	+0.5	-3.1	-3.1	+3.4	+9.2	+9.5	+8.1
1984	1	+1.3	-2.4	-2.1	+2.1	+6.5	+6.4	+5.0
	2	+1.5	-1.6	-1.3	+1.6	+3.6	+6.5	+5.4
	3	+1.5	-1.1	-0.9	+0.8	+0.6	+4.8	+4.4
	4	+1.5	-0.9	-0.5	+0.6	+0.2	+2.9	+2.5
1985	1	+1.3	-0.6	-0.4	+1.5	+1.7	+2.8	+2.7
	2		-0.9	-0.6		+8.2	+3.0	+3.0

1 The ratios do not take into account part-time working or hours of work.
2 Industries are grouped according to the Standard Industrial Classification 1980.

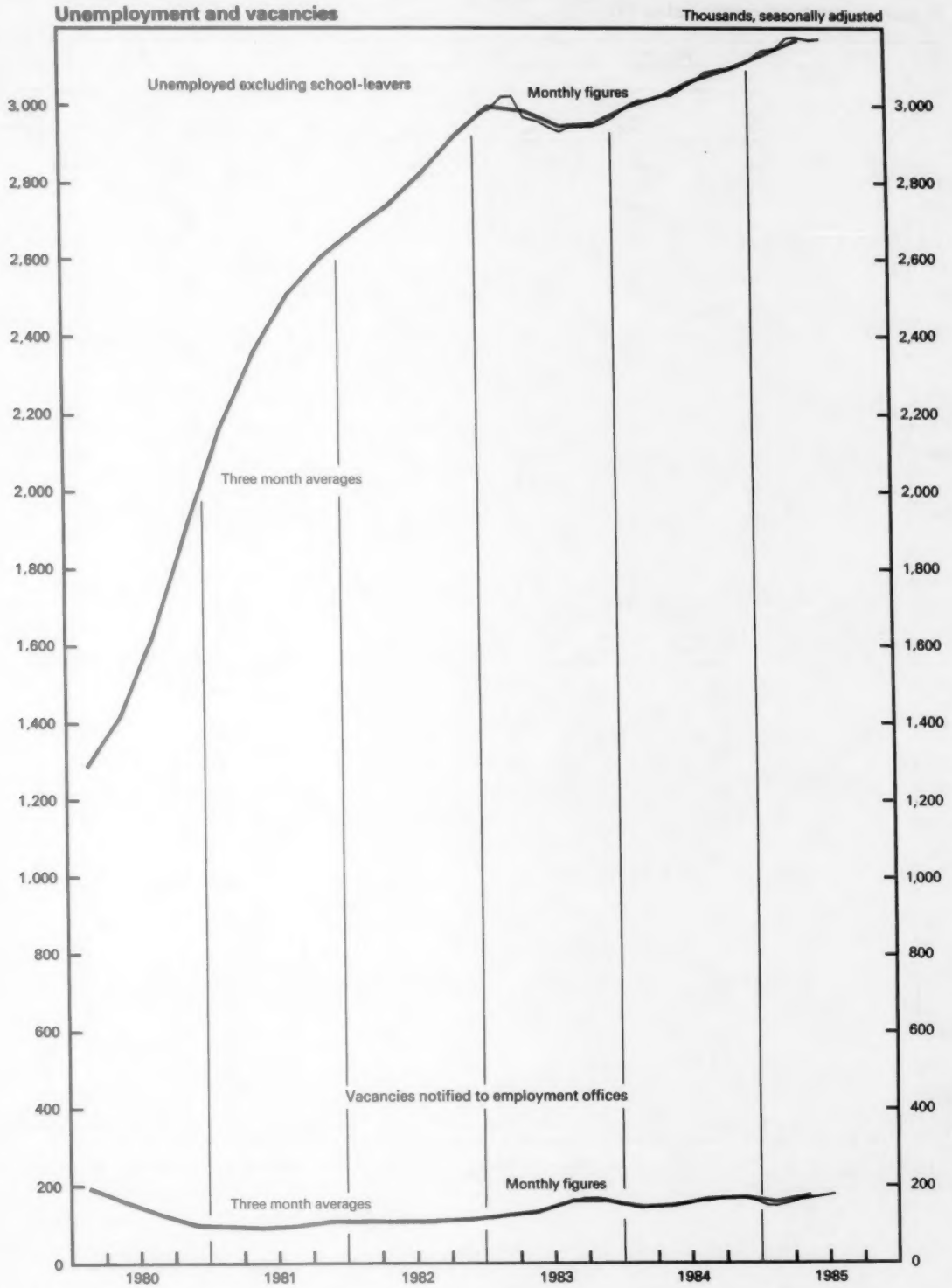

Output per person employed
1980=100
seasonally adjusted
Whole economy
Gross domestic product
per person employed
Gross domestic product
(output based)
115
110
105
100
95
1980
1981
1982
1983
1984
1985


Manufacturing (Revised definition)
Output per
person hour
Output per
person employed
Output
Monthly figures
135
130
125
120
115
110
105
100
95
90
1980
1981
1982
1983
1984
1985

National employment and unemployment (1)

		Seasonally adjusted								Unadjusted
		United Kingdom						Great Britain Manufacturing industry		United Kingdom
		Thousands			Unemployed excluding school leavers		Thousands	1980=100		Thousands
		Working population(2,3,4)	Employed labour force(2,3)	Employees in employment(2,3)	Thousands(4)	Percentage of employees(4,5)	Vacancies notified to employment offices+(6)	Employees in employment	Average hours worked per operative(7)	Total unemployed including school-leavers(4)
		FGAW	FGAN	FGAO		FGAE	BCDM	FGAL	FGAF	BCJA
1979		26 646	25 356	23 138	..	241.3	105.5	103.4	1 295.7	
1980		26 869	25 284	22 950	..	143.0	100.1	100.0	1 864.9	
1981		26 784	24 297	21 845	..	97.0	90.6	98.7	2 520.3	
1982		26 745	23 867	21 373	..	111.3	86.0	100.5	2 916.9	
1983		26 672	23 586	21 026	..	145.1	81.7	101.5	3 104.7	
1984		27 102	23 949	21 128	..	158.1	80.4	102.4	3 159.8	
		BCAI	FGAB	BCAJ	BCJD	BCJE	DPAK	FGAJ	FGAH	
1982	2	26 745	23 867	21 373	2 624.6	10.9	108.7	86.2	100.6	2 796.2
	3	26 707	23 711	21 206	2 704.6	11.2	111.9	84.7	100.4	2 939.2
	4	26 699	23 610	21 093	2 782.6	11.5	115.7	83.4	100.7	3 089.7
1983	1	26 687	23 541	21 012	2 846.9	11.8	121.5	82.4	101.0	3 199.0
	2	26 672	23 568	21 026	2 912.2	12.1	137.0	81.7	101.0	3 057.7
	3	26 771	23 679	21 084	2 939.3	12.2	160.5	81.1†	102.0	3 066.0
	4	26 866	23 814	21 132	2 950.1	12.3	161.5	80.9	102.4	3 085.9
1984	1	27 003	23 890	21 137	2 996.1	12.4	146.8	80.5	102.3	3 176.3
	2	27 102	23 949	21 128	3 023.3	12.5	154.1	80.4	102.4	3 074.0
	3	27 233	24 027	21 173	3 068.8	12.7	165.1	80.2	102.2	3 186.7
	4	27 370	24 159	21 275	3 099.0	12.8	166.5	80.3	102.8	3 222.4
1985	1	27 413	24 184†	21 289	3 138.6	13.0	157.5	79.9	102.6	3 310.8
	2				3 174.0†	13.1	169.5	79.8	102.9†	3 230.7
1983	M	..	..	..	2 911.0‡	12.1	134.0	81.9	101.2	3 049.4†
	J	..	..	..	2 933.6	12.2	143.3	81.7	101.0	2 983.9
	J	..	..	..	2 937.8	12.2	153.9	81.5	101.5	3 020.6
	A	..	..	..	2 935.8	12.2	160.5	81.5	101.7	3 009.9
	S	..	..	..	2 944.4	12.3	167.0	81.1†	102.0	3 167.4
	O	..	..	..	2 944.8	12.3	168.1	80.9	102.1	3 094.0
	N	..	..	..	2 947.2	12.3	163.2	81.2	102.5	3 084.4
	D	..	..	..	2 958.3	12.3	153.3	80.9	102.4	3 079.4
1984	J	..	..	..	2 975.3	12.3	147.6	80.8	102.5	3 199.7
	F	..	..	..	2 999.4	12.4	145.4	80.6	102.5	3 186.4
	M	..	..	..	3 013.6	12.5	147.3	80.5	102.3	3 142.8
	A	..	..	..	3 012.0	12.5	147.9	80.4	102.5	3 107.7
	M	..	..	..	3 026.2	12.5	155.7	80.4	102.4	3 084.5
	J	..	..	..	3 031.8	12.5	158.7	80.4	102.4	3 029.7
	J	..	..	..	3 049.4	12.6	164.2	80.3	102.2	3 100.5
	A	..	..	..	3 066.3	12.7	161.6	80.1	102.2	3 115.9
	S	..	..	..	3 080.6	12.8	169.6	80.2	102.2	3 283.6
	O	..	..	..	3 093.6	12.8	170.5	80.3	102.6	3 225.1
	N	..	..	..	3 097.1	12.8	167.6	80.3	102.7	3 222.6
	D	..	..	..	3 106.4	12.8	161.3	80.3	102.8	3 219.4
1985	J	..	..	..	3 123.9	12.9	157.2	80.1	102.6	3 341.0
	F	..	..	..	3 144.0	13.0	156.1	80.0	102.6	3 323.7
	M	..	..	..	3 148.0	13.0	159.2	79.9	102.6	3 267.6
	A	..	..	..	3 176.2	13.1	166.7	79.8	101.7†	3 272.6
	M	..	..	..	3 177.0	13.1	167.1	79.8	102.7	3 240.9
	J	..	..	..	3 168.9	13.1	174.8	79.8	102.9	3 178.6
	J	..	..	..	3 175.4	13.1†	179.7†			3 235.0

1 Unemployment figures do not include students registered for temporary employment during a current vacation.
2 The working population consists of the employed labour force and the unemployed (claimants); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment. Estimates of employees in employment up to June 1984 take account of the results of the 1983 and 1984 Labour Force Surveys. Estimates for later periods include an allowance for continued undercounting (see article on page 114 of June 1985 Employment Gazette).
3 Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December.
4 The seasonally adjusted unemployment series has been revised. Past seasonally adjusted figures (up to August 1983) are now adjusted for discontinuities, in particular for the effects of the 1983 Budget which means that certain older men, mainly aged over 60, no longer need to sign on at an unemployment benefit office. Details of the new series are described in an article in the July 1985 Employment Gazette.
5 The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed).
6 The statistics of vacancy stocks were distorted in April and May 1985 because of a change in the Manpower Services Commission's Employment Division's arrangements. This led to an artificial increase in the April level, but the recorded stocks for May should be minimally affected.
7 The indices are based on SIC 1980 definition of manufacturing industry.


Unemployment and vacancies
Thousands, seasonally adjusted
Unemployed excluding school-leavers
Monthly figures
Three month averages
Vacancies notified to employment offices
Monthly figures
Three month averages
3,000
2,800
2,600
2,400
2,200
2,000
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
1980
1981
1982
1983
1984
1985

Regional unemployment rates (1)

Seasonally adjusted(2,3)

Per cent

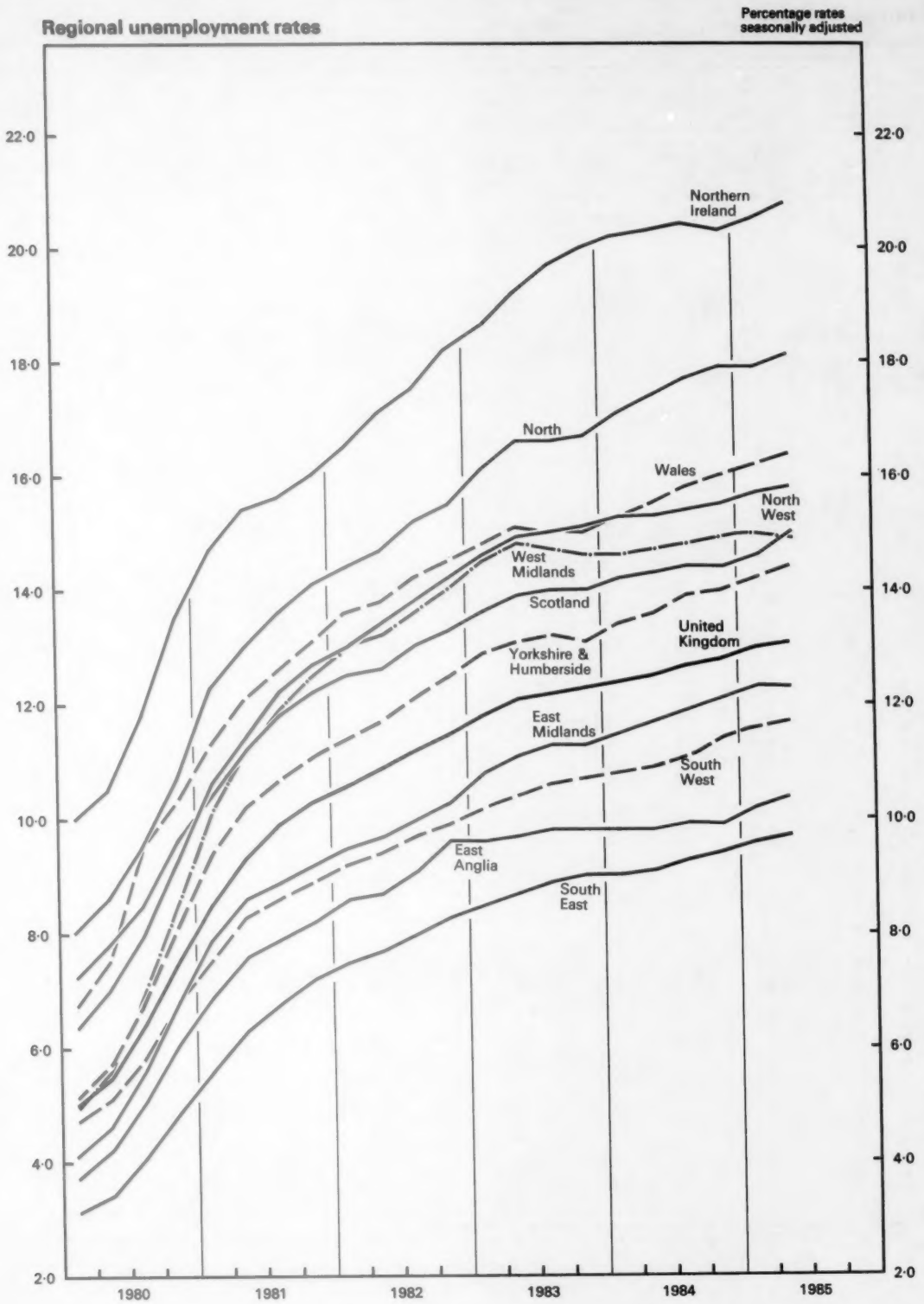
		North	Yorkshire and Humberside	East Midlands	East Anglia	South East	South West	West Midlands
		DPBH	DPBI	DPBJ	DPBK	DPBL	DPBM	DPBN
1978	4	7.5	5.0	4.1	4.2	3.4	5.2	4.6
1979	1	7.6	5.0	4.0	4.1	3.3	5.1	4.7
	2	7.4	4.8	3.9	3.9	3.2	4.9	4.6
	3	7.3	4.7	3.7	3.8	3.0	4.7	4.6
	4	7.3	4.7	3.8	3.7	2.9	4.6	4.7
1980	1	7.9	5.1	4.1	3.7	3.1	4.7	4.9
	2	8.6	5.7	4.6	4.2	3.4	5.1	5.6
	3	9.5	6.6	5.6	5.1	4.1	5.8	6.9
	4	10.7	8.1	6.8	6.1	4.9	6.8	8.5
1981	1	12.3	9.4	7.9	6.9	5.6	7.5	10.1
	2	13.0	10.2	8.6	7.6	6.3	8.3	11.2
	3	13.6	10.7	8.9	7.9	6.8	8.6	11.9
	4	14.1	11.1	9.2	8.2	7.2	9.0	12.5
1982	1	14.4	11.4	9.5	8.6	7.5	9.2	13.0
	2	14.7	11.7	9.7	8.7	7.7	9.4	13.2
	3	15.2	12.1	10.0	9.1	8.0	9.7	13.6
	4	15.5	12.5	10.3	9.6	8.3	9.9	14.0
1983	1	16.1	12.9	10.8	9.6	8.5	10.2	14.5
	2	16.6	13.1	11.1	9.7	8.7	10.4	14.8
	3	16.6	13.2	11.3	9.8	8.9	10.6	14.7
	4	16.7	13.1	11.3	9.8	9.0	10.7	14.6
1984	1	17.1	13.4	11.5	9.8	9.0	10.8	14.6
	2	17.4	13.6	11.7	9.8	9.1	10.9	14.7
	3	17.7	13.9	11.9	9.9	9.3	11.1	14.8
	4	17.9	14.0	12.1	9.9	9.4	11.4	14.9
1985	1	17.9	14.2	12.3	10.2	9.6	11.6	15.0
	2	18.1	14.4	12.3	10.4	9.7	11.7	14.9

		North West	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
		DPBO	DPBP	DPBQ	DPAJ	DPBR	BCJE
1978	4	6.1	6.8	6.8	4.9	8.7	5.0
1979	1	6.0	6.9	6.8	4.9	9.6	5.0
	2	5.9	6.6	6.8	4.7	9.5	4.9
	3	5.8	6.4	6.7	4.6	9.7	4.7
	4	5.9	6.3	6.8	4.6	9.7	4.7
1980	1	6.3	6.7	7.2	4.9	9.9	5.0
	2	7.0	7.5	7.8	5.4	10.5	5.5
	3	8.0	8.8	8.5	6.3	11.8	6.4
	4	9.3	10.3	9.6	7.4	13.5	7.5
1981	1	10.6	11.3	10.4	8.4	14.7	8.5
	2	11.4	12.1	11.2	9.2	15.4	9.3
	3	12.2	12.6	11.8	9.7	15.6	9.9
	4	12.7	13.1	12.2	10.1	16.0	10.3
1982	1	13.0	13.6	12.5	10.5	16.5	10.6
	2	13.4	13.8	12.6	10.7	17.1	10.9
	3	13.8	14.2	13.0	11.0	17.5	11.2
	4	14.2	14.5	13.3	11.3	18.2	11.5
1983	1	14.6	14.8	13.6	11.7	18.6	11.8
	2	14.9	15.1	13.9	11.9	19.2	12.1
	3	15.0	15.0	14.0	12.0	19.7	12.2
	4	15.1	15.0	14.0	12.1	20.0	12.3
1984	1	15.3	15.3	14.2	12.2	20.2	12.4
	2	15.3	15.5	14.3	12.3	20.3	12.5
	3	15.4	15.8	14.4	12.5	20.4	12.7
	4	15.5	16.0	14.4	12.6	20.3	12.8
1985	1	15.7	16.2	14.6	12.8	20.5	13.0
	2	15.8	16.4	15.0	12.9	20.8	13.1

1 Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed).

2 The seasonally adjusted series have been revised as described in the December 1982 Employment Gazette. The series have been updated at March 1985 and revisions made back to January 1982 incorporating a few technical improvements.

3 See footnote 4 on page 36.


Regional unemployment rates
Percentage rates seasonally adjusted
22·0
20·0
18·0
16·0
14·0
12·0
10·0
8·0
6·0
4·0
2·0
Northern Ireland
North
Wales
North West
West Midlands
Scotland
United Kingdom
Yorkshire & Humberside
East Midlands
South West
East Anglia
South East
1980
1981
1982
1983
1984
1985

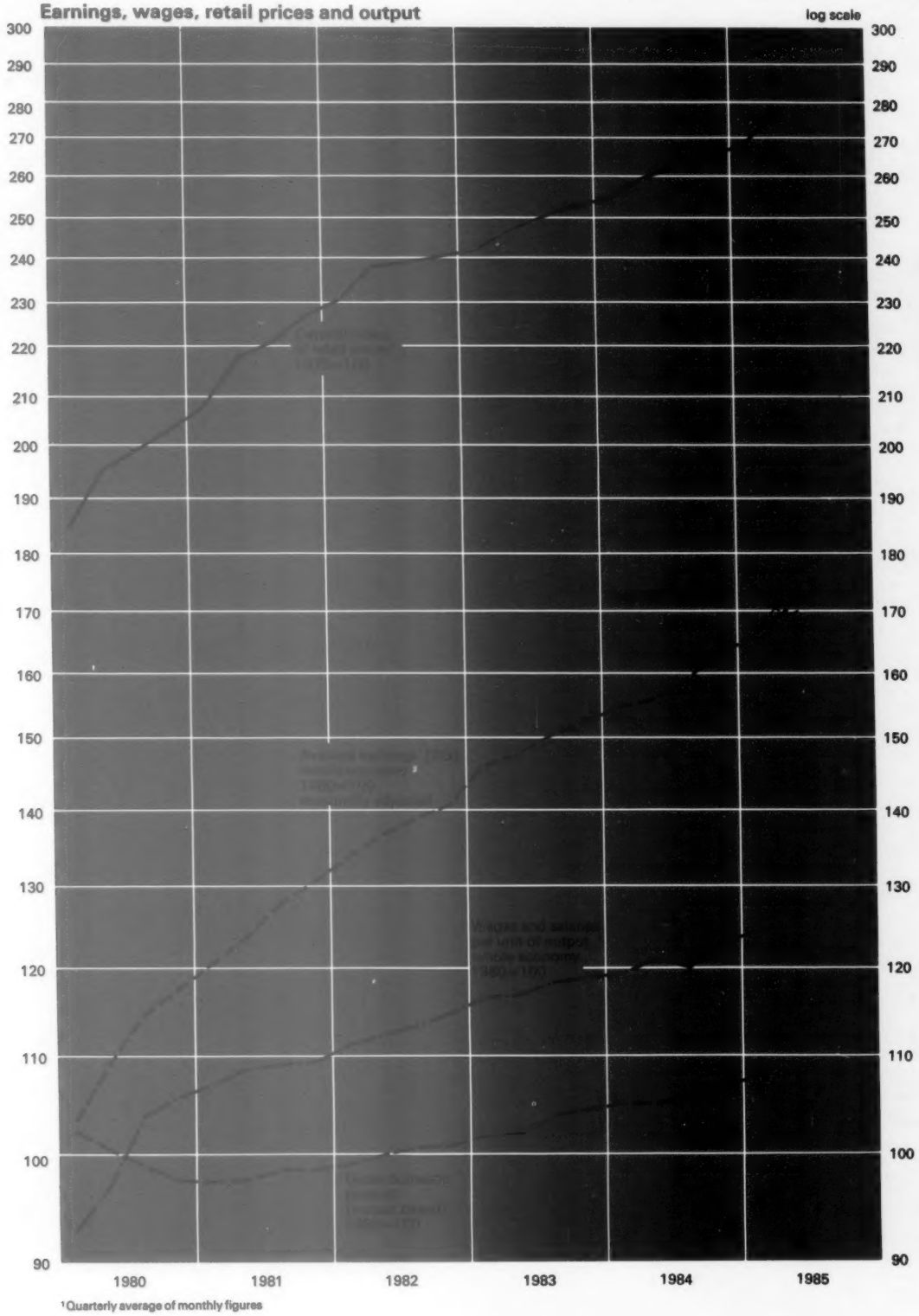
Average earnings

Seasonally adjusted

		January 1980 = 100								1980 = 100	
		Average earnings (GB)(1)								Wages and salaries per unit of output	
		Whole economy	Percentage increase on year earlier	underlying % change over previous 12 months(2)	Production industries (3)	Percentage increase on year earlier	underlying % change over previous 12 months(2)	manufacturing industry(3)	percentage increase on year earlier	underlying % change over previous 12 months(2)	Whole economy	Manufacturing industry
		DNAA	FIAJ		DNAE	FIAK		DNAC	FIAL		DJDQ	FIAH
1977		..	..		..	..		..	..		65.0	62.7
1978		..	..		..	..		..	..		72.3	71.1
1979		..	..		..	..		..	..		82.7	81.8
1980		111.4	..		109.4	..		109.1	..		100.0	100.0
1981		125.8	12.9		124.1	13.5		123.6	13.3		108.9	109.3
1982		137.6	9.4		138.2	11.4		137.4	11.2		113.4	114.7
1983		149.2	8.4		150.0	8.5		149.7	9.0		118.1	116.2
1984		158.3	6.1		158.5	5.7		162.8	8.7		121.2	120.1
		FIAI	FIAM		FIAN	FIAO		FIAP	FIAQ		DJDO	FIAR
1982	1	133.9	11.0		134.0	13.1		133.1	12.9		111.6	112.7
	2	136.4	10.3		136.9	13.0		136.4	13.1		112.7	113.9
	3	139.0	8.5		139.3	9.9		138.5	9.7		113.7	115.0
	4	141.2	7.9		142.6	9.6		141.7	9.2		115.0	117.2
1983	1	146.0	9.0		145.0	8.2		144.6	8.6		117.0	114.6
	2	147.9	8.4		148.4	8.4		148.0	8.5		117.3	116.7
	3	150.4	8.2		151.4	8.7		151.0	9.0		118.7	116.0
	4	152.5	8.0		155.3	8.9		155.5	9.7		119.1	117.5
1984	1	154.9	6.1		155.8	7.4		158.3	9.5		119.5	118.0
	2	155.9	5.4		155.1	4.5		160.0	8.1		121.3	118.5
	3	159.1	5.8		159.2	5.2		164.2	8.7		120.3	120.3
	4	163.3	7.1		163.9	5.5		168.6	8.4		123.1	123.8
1985	1	166.8	7.7		168.6	8.2		172.5	9.0		124.4	126.2
		DNAB	FIAB	FIAC	DNAF	FIAD	FIAE	DNAD	FIAF	FIAG		DMBG
1982	J	137.0	9.8	9.50	137.6	11.4	11.00	136.7	11.5	11.25	..	114.9
	J	139.5	10.9	9.25	138.5	11.0	11.00	137.8	11.0	11.00	..	115.3
	A	138.6	7.5	8.75	139.3	9.4	9.50	138.4	9.1	9.50	..	114.8
	S	138.9	7.3	8.75	140.2	9.6	9.50	139.3	9.3	9.25	..	114.8
	O	139.8	7.4	8.75	141.1	8.6	9.50	140.9	8.9	9.25	..	116.6
	N	141.7	8.3	8.50	142.8	9.8	9.25	141.6	9.0	9.00	..	117.6
	D	142.0†	7.8	8.00	143.8	10.2	9.00	142.7	9.6	9.00	..	117.3
1983	J	144.5	8.8	8.00	144.6	9.0	8.75	144.0	9.1	9.00	..	113.2
	F	147.2	9.6	8.00	145.2	7.8	8.75	144.8	9.0	8.75	..	115.0
	M	146.3	8.6	7.75	145.3	7.9	8.50	145.0	7.9	8.50	..	115.6
	A	147.0	8.6	7.50	148.5	9.1	8.50	148.1	8.9	8.50	..	117.2
	M	148.6	8.7	7.50	148.4	8.4	8.50	148.2	8.6	8.50	..	116.5
	J	148.2	8.2	7.50	148.2	7.7	8.00	147.8	8.1	8.50	..	116.4
	J	150.3	7.7	7.50	150.0	8.3	8.50	149.7	8.6	8.75	..	114.8
	A	150.2	8.4	7.75	151.3	8.6	8.50	150.8	9.0	8.75	..	116.1
	S	150.7	8.5	7.75	153.0	9.1	9.00	152.4	9.4	9.25	..	117.2
	O	152.0	8.7	7.75	155.4	10.1	9.25	154.4	9.6	9.50	..	117.1
	N	152.1	7.3	7.75	154.7	8.3	9.25	155.6	9.9	9.75	..	118.2
	D	153.4	8.0	8.00	155.8	8.3	9.25	156.6	9.7	9.75	..	117.2
1984	J	154.7	7.1	7.75	156.0	7.9	9.00	157.0	9.0	9.50	..	116.6
	F	155.6	5.7	7.75	157.8	8.7	9.00	158.7	9.6	9.50	..	118.9
	M	154.4	5.5	7.75	153.7	5.8	9.00	159.2	9.8	9.50	..	118.5
	A	155.8	6.0	7.75	154.5	4.0	8.75	159.5	7.7	9.25	..	117.4
	M	156.0	5.0	7.75	154.7	4.2	8.75	159.5	7.6	9.25	..	119.0
	J	156.0	5.3	7.75	156.1	5.3	8.75	161.1	9.0	9.25	..	119.0
	J	158.2	5.3	7.50	157.6	5.1	8.50	162.9	8.8	9.00	..	120.6
	A	159.0	5.9	7.50	158.7	4.9	8.25	163.7	8.6	8.75	..	119.4
	S	160.2	6.3	7.50	161.4	5.5	8.25	166.1	9.0	8.75	..	120.9
	O	164.5	8.2	7.50	163.6	5.3	8.00	168.3	9.0	8.50	..	124.4
	N	162.0	6.5	7.50	163.4	5.6	8.00	168.1	8.0	8.50	..	123.5
	D	163.5	6.6	7.50	164.7	5.7	8.00	169.5	8.2	8.50	..	123.6
1985	J	165.5	7.0	7.50	167.1	7.1	8.25	171.7	9.4	8.50	..	127.2
	F	166.5	7.0	7.50	167.6	6.2	8.25	172.0	8.4	8.50	..	126.2
	M	168.3	9.0	7.50	171.0	11.3	8.25	173.8	9.2	8.75	..	125.2
	A	170.6	9.5	7.50	175.5	13.6	8.25	177.6	11.3	8.75	..	129.8
	M	169.7	8.8	7.50	173.2†	12.0†	8.50†	174.4†	9.3†	9.00	..	127.9
	J	170.3	9.2†	7.50†	175.8	12.6	8.50	176.5	9.6	9.00†	..†	

1 The seasonal adjustment factors currently used are based on data up to December 1982.
2 Estimated to the nearest quarter of one percentage point. For the derivation of recent underlying changes see Employment Gazette February 1985 page 82.
3 Revised definition.

Earnings, wages, retail prices and output



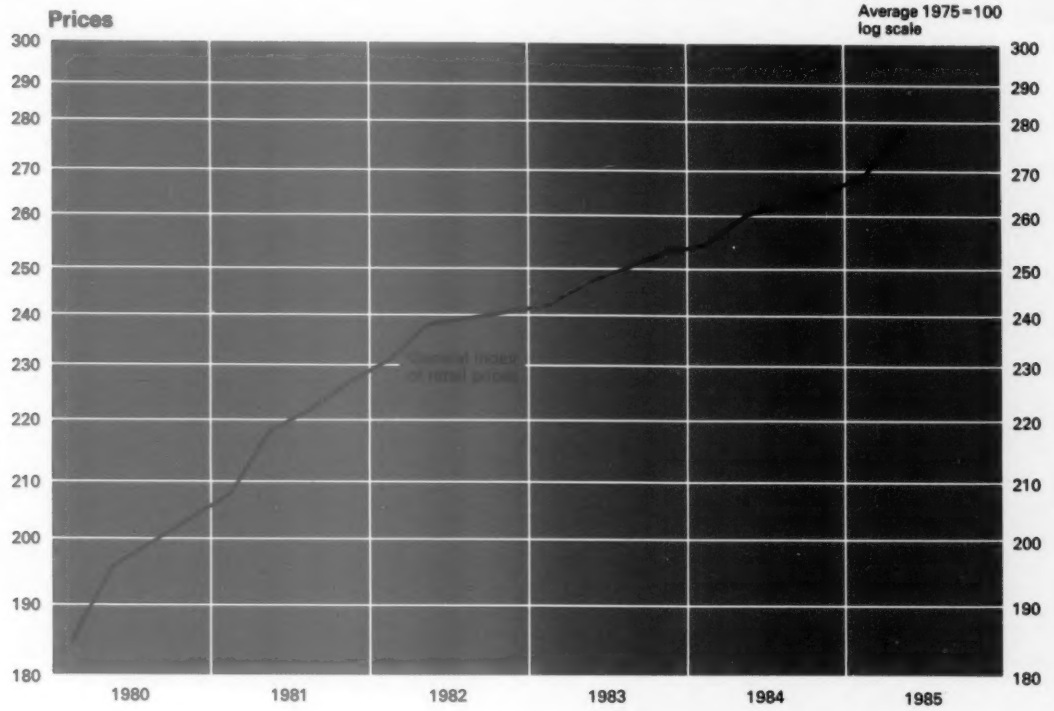
[1]Quarterly average of monthly figures

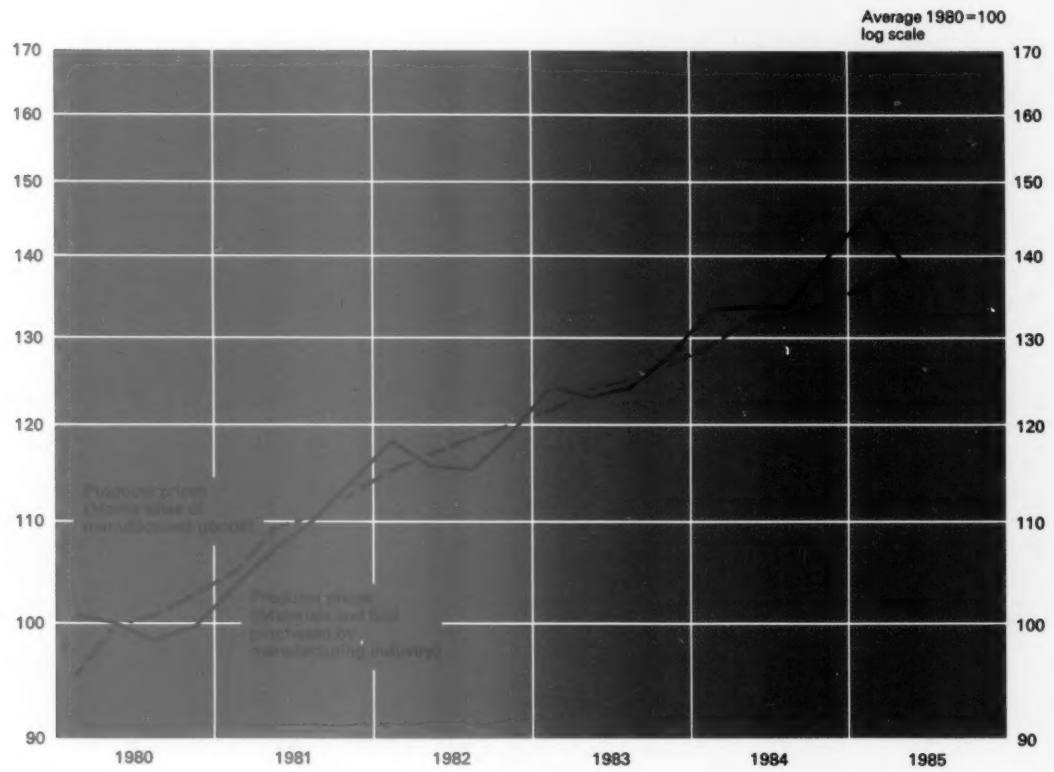
Prices

		Unadjusted										
		Average 1980=100		Average 1975=100(1)								Average 1980=100
		Producer price index		General index of retail prices						Pensioner price index(2)		
		Materials and fuel purchased by manufacturing industry	Output All manufactured products Home sales	All items Index	All items Percentage increase on year earlier	All items Total food	All items Total non-food	All items other than seasonal food Index	All items other than seasonal food Percentage increase on year earlier	One person household	Two person household	Purchasing power of the pound(3)
		DZBR	DZCV	FJAC	FJAD	FJAE	FJAF	FJAG	FJAH	FJAI	FJAJ	FJAK
1976		68.4	80.9	116.6	16.8	120.0	115.6	115.8	15.9	119.1	118.8	168
1977		78.9	72.0	135.1	15.9	142.8	132.8	134.4	16.1	139.1	138.7	145
1978		81.6	79.1	146.2	8.3	152.9	144.3	146.4	9.0	150.4	149.8	134
1979		92.2	87.7	165.8	13.3	171.2	164.3	165.9	13.2	168.0	167.6	118
1980		100.0	100.0	195.6	18.1	191.9	196.5	196.3	18.5	195.7	194.5	100
1981		109.2	109.5	218.8	11.9	208.2	221.6	219.8	11.9	218.0	217.1	88
1982		117.2	118.0	237.7	8.7	224.5	241.1	238.4	8.5	238.3	236.8	82
1983		125.3	124.4	248.6	4.6	231.6	253.1	249.5	4.7	249.0	247.6	79
1984		135.5	132.1	261.0	5.0	244.6	265.2	261.4	4.7	261.4	260.3	75
1981	2	107.7	109.2	218.1	11.7	207.8	220.8	218.5	11.8	216.4	215.7	90
	3	110.1	110.5	221.9	11.3	209.2	225.2	223.0	11.3	220.1	219.6	80
	4	114.8	112.8	227.4	11.9	214.2	230.8	228.2	11.7	225.6	225.1	86
1982	1	118.0	115.7	231.1	11.1	223.3	233.1	231.2	10.7	232.7	231.6	85
	2	115.9	117.5	238.5	9.4	228.1	241.3	238.2	8.9	238.8	237.3	82
	3	115.4	118.7	239.6	8.0	222.8	244.0	240.9	8.0	239.3	237.6	82
	4	119.4	120.1	241.4	6.2	223.9	246.0	243.1	6.5	242.5	240.8	81
1983	1	124.6	121.8	242.6	4.9	226.6	246.8	244.0	5.5	245.3	243.3	81
	2	123.6	124.2	247.6	3.8	229.8	252.2	248.8	4.4	247.6	246.3	79
	3	124.8	125.1	250.7	4.6	232.8	255.5	251.6	4.4	249.6	248.4	78
	4	128.4	126.8	253.5	5.0	237.3	257.7	253.8	4.4	253.6	252.4	77
1984	1	133.6	129.0	255.1	5.1	241.3	258.7	255.2	4.6	256.8	255.4	77
	2	134.3	132.0	260.3	5.1	246.9	263.8	260.0	4.6	261.9	261.1	75
	3	134.1	132.8	262.6	4.7	245.1	267.2	263.3	4.6	262.1	261.0	74
	4	140.2	134.5	265.8	4.8	245.2	271.2	267.0	5.2	264.8	263.8	74
1985	1	146.3†	136.6	269.2	5.5	249.7	274.3	270.0	5.8	269.0	268.0	73
	2	138.8	139.4	278.4	7.0	254.6	284.6	279.0	7.3	275.1	274.1	71
1983	J	123.2	124.7	249.6	4.2	231.6	254.5	250.7	4.3	..	..	78
	A	124.6	124.9	250.7	4.6	232.1	255.7	251.8	4.4	..	..	78
	S	126.5	125.7	251.9	5.1	234.8	256.4	252.4	4.6	..	..	78
	O	126.2	126.2	252.7	5.0	235.9	257.1	253.2	4.4	..	..	77
	N	127.4	126.8	253.6	4.8	237.1	257.9	254.0	4.2	..	..	77
	D	131.6	127.3	254.3	5.3	238.9	258.2	254.4	4.7	..	..	77
1984	J	133.5	128.0	254.2	5.1	239.9	257.9	254.3	4.6	..	..	77
	F	134.2	128.8	255.2	5.1	241.1	258.9	255.2	4.5	..	..	77
	M	133.0	130.3	256.0	5.2	242.9	259.4	256.0	4.7	..	..	76
	A	133.9	131.7	259.4	5.2	245.5	263.0	259.1	4.6	..	..	75
	M	134.5	132.1	260.4	5.1	247.1	263.9	260.0	4.5	..	..	75
	J	134.4	132.2	261.1	5.1	248.0	264.4	260.9	4.7	..	..	75
	J	134.0	132.5	260.8	4.5	246.4	264.6	261.1	4.1	..	..	75
	A	133.2	132.6	263.2	5.0	245.2	267.9	263.9	4.8	..	..	74
	S	135.2	133.2	263.7	4.7	243.7	269.0	264.9	5.0	..	..	74
	O	137.9	134.0	265.4	5.0	244.7	270.8	266.5	5.2	..	..	74
	N	139.2	134.5	266.2	4.9	245.0	271.7	267.4	5.3	..	..	73
	D	143.4	134.9	265.9	4.6	245.8	271.2	267.2	5.0	..	..	74
1985	J	145.5	135.8	266.9	5.0	248.0	271.8	267.8	5.3	..	..	73
	F	147.8†	136.6	269.1	5.4	249.4	274.2	269.9	5.8	..	..	73
	M	145.6	137.5	271.6	6.1	251.6	276.9	272 2	6.4	..	..	73
	A	140.8	139.1†	277.4	6.9	254.2	283.4	277.9	7.3	..	..	71
	M	138.8	139.5	278.6	7.0	254.5	284.9	279.3	7.4	..	..	70
	J	136.7	139.6	279.2	7.0	255.1	285.5	279.9	7.3	..	..	71
	J	134.0	140.0	278.7†	6.9†	251.5†	286.8†	280.2†	7.3†	..	..	70†

1 The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
2 All items except housing.
3 Movements in the purchasing power of the pound are based on movements in the general index of retail prices.

Prices


Average 1975=100
log scale
300
290
280
270
260
250
240
230
220
210
200
190
180
1980
1981
1982
1983
1984
1985

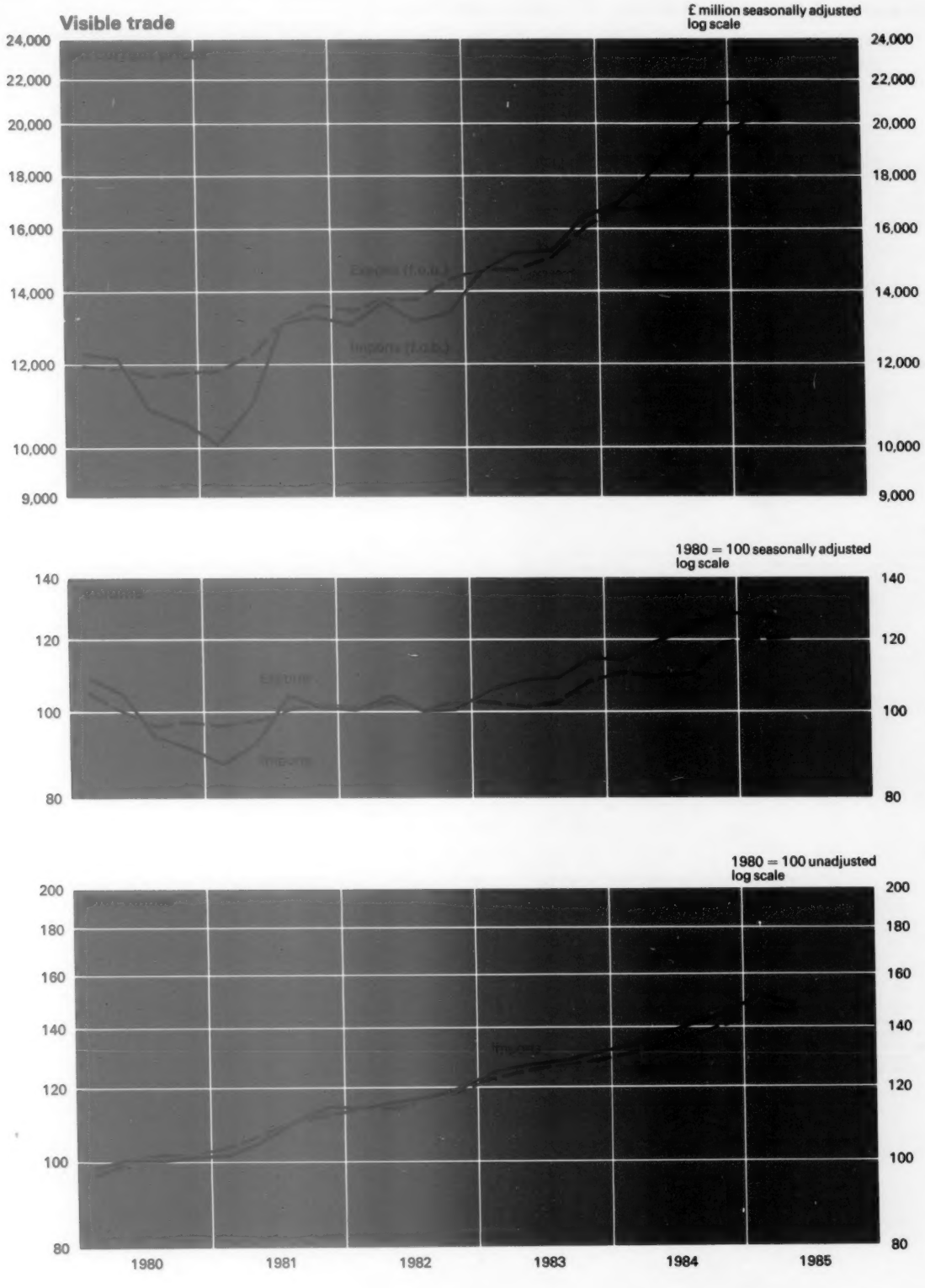

Average 1980=100
log scale
170
160
150
140
130
120
110
100
90
1980
1981
1982
1983
1984
1985

Visible trade

		Seasonally adjusted		Unadjusted		
		1980=100		1980=100		
		Volume indices(1)		Unit value indices(1)		
		Exports	Imports	Exports	Imports	Terms of trade(2)
1974		CGTK 81.0	CGTM 92.7	CGTJ 41.5	CGTL 50.9	CGTN 81.5
1975		77.8	84.7	50.9	58.0	87.6
1976		85.4	89.7	60.8	70.9	85.7
1977		92.1	91.3	72.0	82.1	87.7
1978		94.5	95.5	79.1	85.2	92.7
1979		99.1	105.7	87.6	90.9	96.4
1980		100.0	100.0	100.0	100.0	100.0
1981		99.3	96.3	108.8	108.2	100.5
1982		101.9	101.5	116.2	117.4†	99.1†
1983		103.8	105.7	125.7	128.3	98.0
1984		112.2†	121.4†	136.0	139.9	97.2
1982	2	CGTR 103.3	CGTS 104.8†	CGTO 114.4	CGTP 116.2†	CGTQ 98.4†
	3	100.1	100.2	117.2	117.7	99.6
	4	103.3	100.5	119.0	120.6	98.7
1983	1	102.8	105.9	123.0	125.9	97.7
	2	101.4	108.3	124.9	127.5	97.9
	3	102.6	109.2	126.9	128.5	98.8
	4	108.2	115.2	128.2	131.2	97.7
1984	1	110.2†	114.3	131.3	134.2	97.9
	2	109.1	119.7	134.1	137.9	97.3
	3	109.9	122.7	137.8	141.7	97.2
	4	119.7	129.1	140.9	145.8	96.6
1985	1	120.5	128.5	146.7†	152.4	96.2
	2	120.3	125.7	146.0	149.1	97.9
1982	J	100.1	99.9	116.3	116.2†	100.1†
	A	96.5	98.2	117.4	117.1	100.3
	S	103.8	102.6	118.1	118.0	100.0
	O	101.4	99.8	118.1	119.7	98.7
	N	105.4	99.6	118.5	119.5	99.1
	D	103.1	102.0	120.4	120.9	99.7
1983	J	98.6	106.5†	122.1	123.0	99.2
	F	102.8	106.4	123.0	125.3	98.2
	M	107.1	104.9	123.9	127.1	97.5
	A	99.3	105.7	125.3	127.6	98.2
	M	100.3	111.5	124.5	127.0	98.1
	J	104.6	107.6	124.8	125.6	99.4
	J	100.1	108.6	125.8	126.7	99.3
	A	102.5	109.3	127.2	127.9	99.4
	S	105.3	109.8	127.7	128.4	99.5
	O	104.5	119.0	127.4	129.8	98.1
	N	105.7	111.3	128.0	130.3	98.2
	D	114.4	115.3	129.3	131.2	98.5
1984	J	103.6	112.1	131.0	132.9	98.6
	F	115.6†	111.8	131.5	134.2	98.0
	M	111.8	119.3	131.4	134.3	97.9
	A	105.3	122.1	133.0	137.0	97.1
	M	109.7	117.3	134.1	137.8	97.3
	J	112.5	120.0	135.2	137.6	98.2
	J	104.8	111.4	136.6	140.0	97.5
	A	114.5	127.0	137.6	141.2	97.5
	S	110.6	130.6	139.1	142.7	97.5
	O	117.5	133.9	140.0	144.3	97.0
	N	120.1	124.2	140.8	145.6	96.7
	D	121.3	129.9	141.8	146.4	96.9
1985	J	118.2	121.1	144.0	148.9	96.7
	F	123.6	127.5	146.9	152.7	96.2
	M	119.6	136.8	149.1	154.4	96.5
	A	121.6	130.2	147.7	151.8	97.3
	M	121.7	121.0	145.8	148.4	98.3
	J	118.4	126.9	144.6†	146.0	99.1

1 On a balance of payments basis.
2 Unit value index for exports expressed as a percentage of unit value index for imports.

Visible trade



Measures of UK competitiveness in trade in manufactures

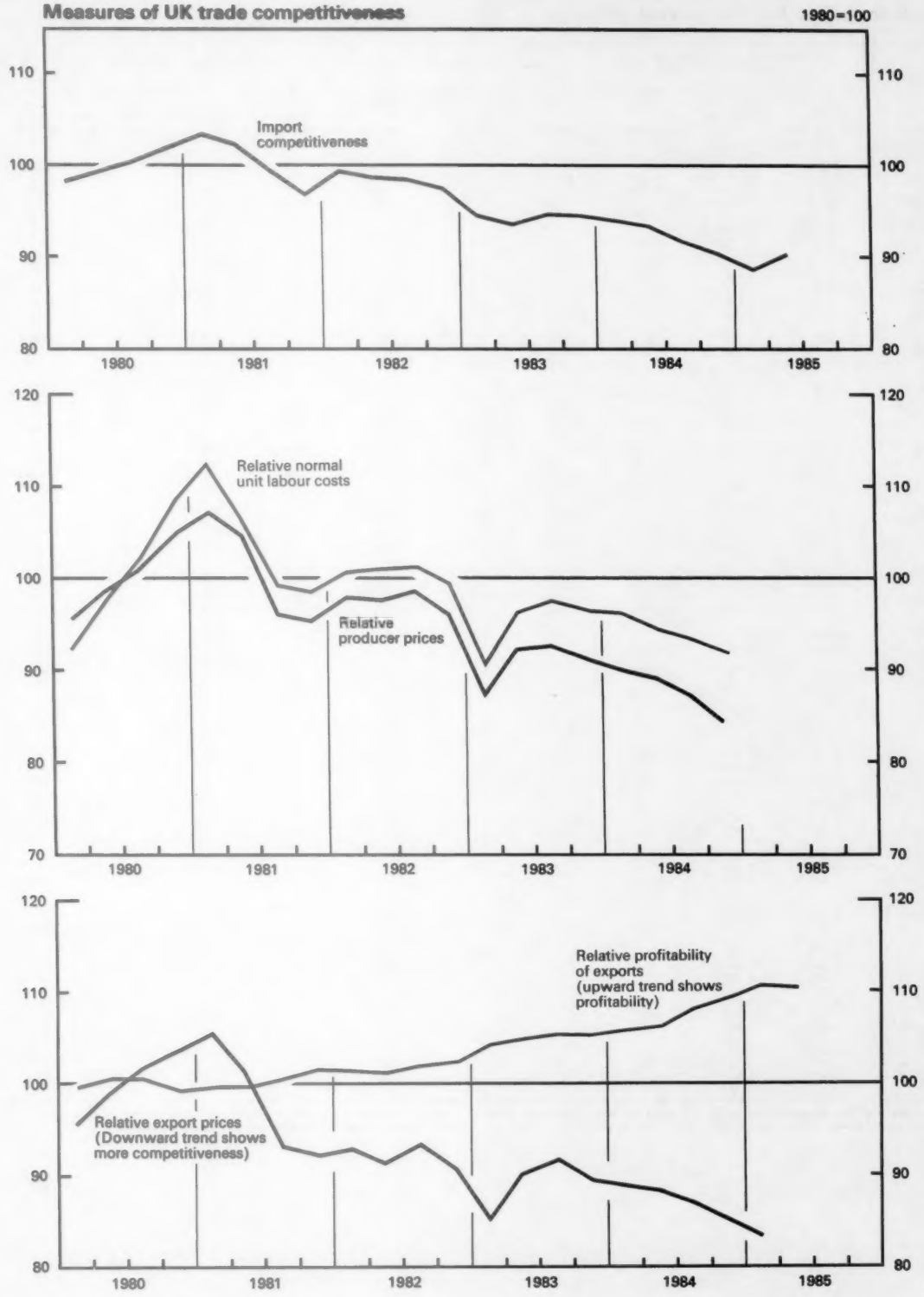
1980 = 100

		Summary measures(1)						Export unit value index(2)				
		Relative export prices(3)	Relative producer prices(3)	IMF index of relative unit labour costs(2) Actual	IMF index of relative unit labour costs(2) Normalised	Import price competitiveness(4)	Relative profitability of exports(4)	United Kingdom	United States	Japan	France	Federal Republic of Germany
		FLBA	FLBB	FLBC	FLBD	FLBE	FLBF	FLBG	FLBH	FLBI	FLBJ	FLBK
1981		98.1	100.8	100.4	104.1	100.5	100.5	93.1	112	106	87	85
1982		92.2	97.7	94.5	100.6	96.5	101.8	85.9	118	101	83	85
1983		89.2	91.0	86.2	95.1	94.3	105.0	81.0	120	97	79	82
1984		87.5†	87.7	85.1	94.1	92.2	107.5	78.9	121	96	78	74
		FLAA	FLAB	FLAC	FLAD	FLAE	FLAF	FLAG	FLAH	FLAI	FLAJ	FLAK
1983	2	90.3	92.4	87.8	96.1	93.6	105.0	82.6	120	97	79	84
	3	91.8	92.8	87.6	97.5	94.7	105.5	81.6	120	95	77	79
	4	89.6	91.3	87.3	96.7	94.5	105.3	80.0	120	99	77	78
1984	1	88.9	90.1	86.8	96.2	93.9	105.9	79.9	121	100	79	77
	2	88.4	89.2	85.1	94.6	93.3	106.3	79.4	121	100	81	76
	3	87.0†	87.2	85.0	93.6	91.6	108.3	75.9	121	96	77	72†
	4	85.2	84.4	83.4	92.0	90.2	109.4	72.6	122	94	75	70
1985	1	83.0	81.5†			88.7	110.8	68.9	124			
	2					90.2	110.6					
		Percentage change, quarter on corresponding quarter of previous year										
1983	2	-1.3	-5.5	-8.0	-4.9	-5.2	+3.8	-4.5	+1	-5	-8	-2
	3	-1.8	-6.1	-7.0	-3.7	-3.7	+3.4	-4.6	+2	-3	-3	-5
	4	-1.4	-5.0	-5.8	-2.8	-3.0	+2.8	-3.2	+1	+4	-4	-6
1984	1	+4.4	+3.1	+6.0	+6.7	-0.6	+1.4	+0.3	-	+2	-5	-10
	2	-2.1	-3.5	-3.1	-1.6	-0.3	+1.2	-4.0	+1	+3	+3	-10
	3	-4.6	-6.0	-3.0	-4.0	-3.3	+2.7	-7.0	+1	+1	-	-9
	4	-4.9	-7.5	-4.5	-4.9	-4.6	+3.9	-8.3	+2	-5	-3	-10
1985	1	-6.6	-8.5			-5.5	+4.6	-13.8	+2			
	2					-3.3	+4.0					

		Producer price index(2)					Unit labour costs index(2)				
		United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom(5)	United States	Japan	France	Federal Republic of Germany
		FLBL	FLBM	FLBN	FLBO	FLBP	FLBQ	FLBR	FLBS	FLBT	FLBU
1981		95.2	108.3	103.4	87.9	86.8	95	106	107	87†	85
1982		88.7	111.9	92.7	81.1	85.5	86	115	102	80	82
1983		81.1	113.0	95.5	76.2	82.5	76	112	107	74	77
1984		75.7	115.8	95.5	71.4	76.2	69	111	103	66	69
		FLAL	FLAM	FLAN	FLAO	FLAP	FLAQ	FLAR	FLAS	FLAT	FLAU
1983	2	83.0	112.3	95.4	76.8	84.3	78	112	108	75†	79
	3	81.2	113.5	93.4	73.7	79.9	75	110	105	72	75
	4	80.1	114.2	96.5	73.0	79.3	74	111	106	70	73
1984	1	79.5	115.2	97.9	73.1	79.3	73	111	107	69	73
	2	79.2	116.1	98.5	74.3	79.7	71†	111	107	70	72
	3	74.0	116.0	93.4	70.0	74.3	67	110	100	64	65
	4	70.3†	116.1	92.4	68.2	71.6	65	112	98	62	64
1985	1	65.4	116.0†	88.4†	65.3†	67.8†	60	114		59	60†
		Percentage change, quarter on corresponding quarter of previous year									
1983	3	-7.8	+1.2	+4.7	-4.6	-5.0	-12	-4	+7	-7	-8
	4	-5.9	+1.6	+8.4	-5.9	-5.2	-11	-4	+6	-8	-9
1984	1	-0.8	+2.7	+1.2	-9.9	-8.5	-4	-3	-3	-14	-10
	2	-4.6	+3.4	+3.2	-3.3	-5.4	-9	-1	-1	-7	-8
	3	-8.8	+2.2	-	-5.0	-7.0	-11	-	-5	-11	-13
	4	-12.3	+1.7	-4.2	-6.6	-9.7	-13	+1	-8	-12	-13
1985	1	-17.7	+0.7	-8.7	-10.8	-14.5	-17	+3		-15	-19
	2										

1 The summary measures of competitiveness were described in Economic Trends No 304, February 1979. Revised measures of import price competitiveness and relative profitability of exports were described in an article in Economic Trends No 319, May 1980 - see footnote 3.
2 All the indices are in terms of US dollars.
3 Figures are now base weighted using 1980 export data. Downwards movements indicate greater competitiveness.
4 Excludes erratics (ships, North Sea installations, aircraft, precious stones and silver bullion).
5 See footnote 3 on page 40.

Measures of UK trade competitiveness

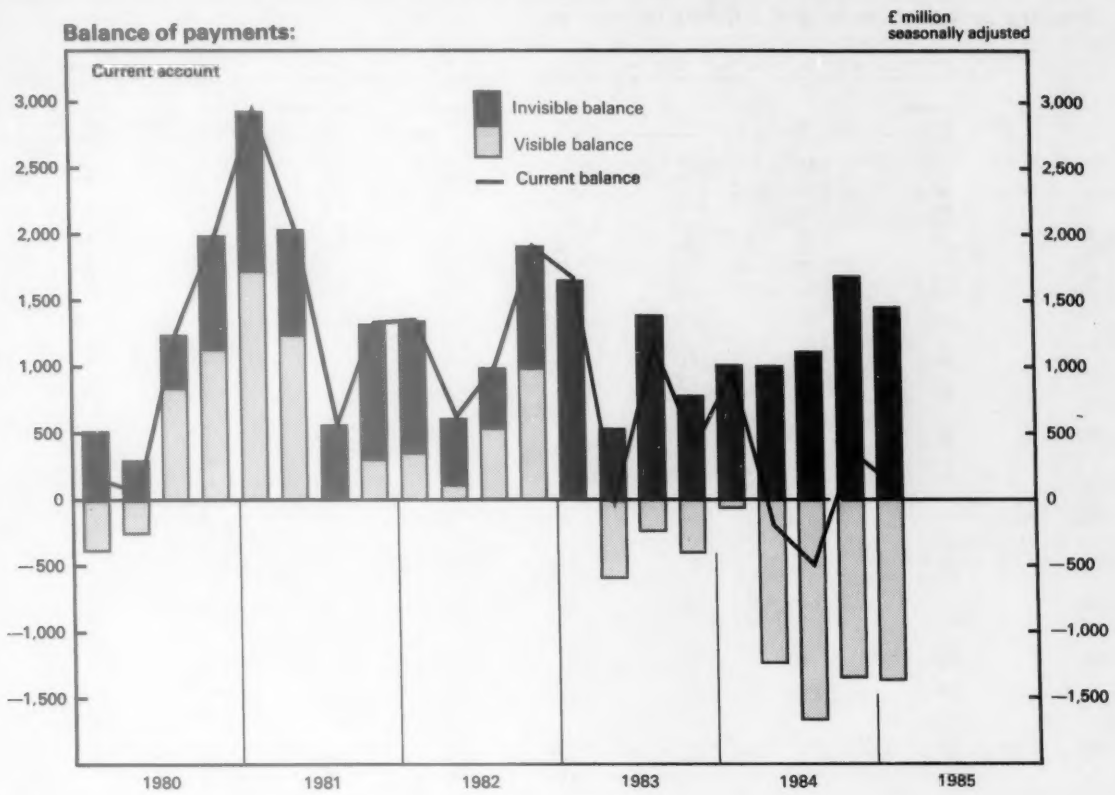


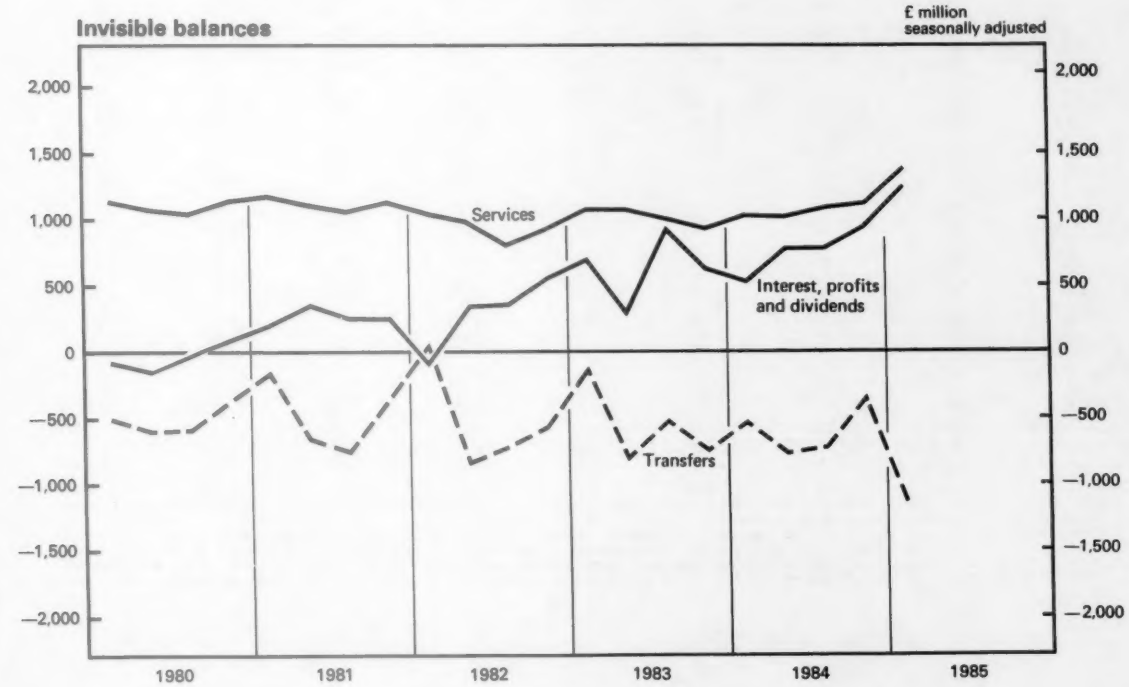
Balance of payments: current account

£ million, seasonally adjusted

		Visible trade			Invisibles						
							Balances				
		Exports (f.o.b.)	Imports (f.o.b.)	Balance	Credits	Debits	Total	Services	IPD	Transfers	Current balance
		CGJP	CGGL	HCHL	CGJY	CGGY	CGIK	CGIN	CGDA	CGIO	AIMG
1974		16 394	21 745	-5 351	10 503	8 430	2 073	1 075	1 415	-417	-3 317†
1975		19 330	22 663	-3 333	11 447	9 637	1 810	1 515	763	-468	-1 582
1976		25 191	29 120	-3 929	15 029	11 946	3 083	2 503	1 355	-775	-913
1977		31 728	34 012	-2 284	16 846	14 509	2 337	3 356	97	-1 116	-128
1978		35 063	36 605	-1 542	19 134	16 430	2 704	3 858	623	-1 777	972
1979		40 687	44 136	-3 449	23 861	20 937	2 924	4 155	1 034	-2 265	-736
1980		47 422	46 061	1 361	25 934	23 818	2 116	4 356	-161	-2 079	3 100
1981		50 977	47 617	3 360	29 644	26 071	3 573	4 458	1 060	-1 945	6 528
1982		55 565	53 510	2 055	31 396	28 528	2 868	3 762	1 162	-2 056	4 663
1983		60 776	61 941	-1 165	35 268	30 857	4 411	4 087	2 540	-2 216	3 168
1984		70 377	74 632	-4 255	39 929	35 050	4 879	4 243	3 050	-2 414	935
		CBKG	CBHK	AIMA	CGKR	CGHT	AIMB	AIMC	AIMD	AIME	AIMF
1980	3	11 728	10 885	843	6 181	5 762	331†	1 032	-23	-580	1 262
	4	11 758	10 602	1 156	6 657	5 809	751	1 133	97	-382	2 004
1981	1	11 843	10 105	1 738	7 277	6 050	1 111	1 174	205	-152	2 965
	2	12 274	11 006	1 268	6 908	6 120	668	1 101	355	-686	2 056
	3	13 236	13 203	33	7 367	6 819	459	1 058	252	-762	581
	4	13 624	13 303	321	8 092	7 062	930	1 125	248	-363	1 331
1982	1	13 481	13 106	375	7 975	6 977	877	1 047	-98	49	1 373
	2	13 857	13 737	120	7 650	7 147	376	987	342	-826	623
	3	13 803	13 250	553	7 592	7 145	289	804	353	-710	1 000
	4	14 424	13 417	1 007	8 179	7 259	790	924	565	-569	1 927
1983	1	14 787	14 747	40	8 966	7 325	1 492	1 078	697	-134	1 681
	2	14 754	15 335	-581	8 450	7 886	439	1 075	296	-809	-17
	3	15 131	15 357	-226	8 934	7 532	1 295	1 001	921	-520	1 176
	4	16 104	16 502	-398	8 918	8 114	773	933	624	-753	406
1984	1	16 778	16 835	-57	9 658	8 635	985	1 025	530	-532	986
	2	16 844	18 072	-1 228	9 527	8 502	1 062	1 024	787	-786	-203
	3	17 439	19 082	-1 643	9 724	8 593	1 252	1 081	789	-739	-512
	4	19 316	20 643	-1 327	11 020	9 320	1 737	1 113	944	-357	373
1985	1	20 295	21 642	-1 347	11 251	9 781	1 470	1 371	1 236	-1 137	123
	2	20 187†	20 484†	-297†							1 203†
		FFBE	FFBF	AIMM			AIMN(1)				AIMO
1983	J	5 048	4 988	61	..	..	188	..	..	..	249
	J	4 874	5 072	-198	..	..	481	..	..	..	283
	A	5 030	5 101	-71	..	..	461	..	..	..	390
	S	5 227	5 184	43	..	..	460	..	..	..	503
	O	5 184	5 624	-460	..	..	195	..	..	..	-265
	N	5 232	5 333	-101	..	..	196	..	..	..	95
	D	5 708	5 545	163	..	..	413	..	..	..	576
1984	J	5 236	5 475	-239	..	..	341	..	..	..	102
	F	5 895	5 453	442	..	..	341	..	..	..	783
	M	5 648	5 907	-259	..	..	341	..	..	..	82
	A	5 360	6 095	-735	..	..	342	..	..	..	-393
	M	5 637	5 953	-316	..	..	341	..	..	..	25
	J	5 846	6 024	-178	..	..	342	..	..	..	164
	J	5 512	5 677	-164	..	..	377	..	..	..	213
	A	6 023	6 614	-591	..	..	377	..	..	..	-214
	S	5 905	6 792	-887	..	..	377	..	..	..	-510
	O	6 273	7 080	-807	..	..	919	..	..	..	112
	N	6 447	6 624	-177	..	..	390	..	..	..	213
	D	6 586	6 940	-344	..	..	391	..	..	..	47
1985	J	6 552	6 637	-86	..	..	487	..	..	..	402
	F	6 915	7 178	-263	..	..	470	..	..	..	207
	M	6 828	7 827	-999	..	..	513	..	..	..	-486
	A	6 896	7 174	-277	..	..	500	..	..	..	223
	M	6 782	6 558	224	..	..	500	..	..	..	724
	J	6 508†	6 752†	-243†	..	..	500†	..	..	..	257†

1 One third of the appropriate calender quarter's estimate except for European Community budget refunds which are allocated to the month in which they are received. Later figures are one third of a quarterly projection plus any European Community budget refund received in the month.

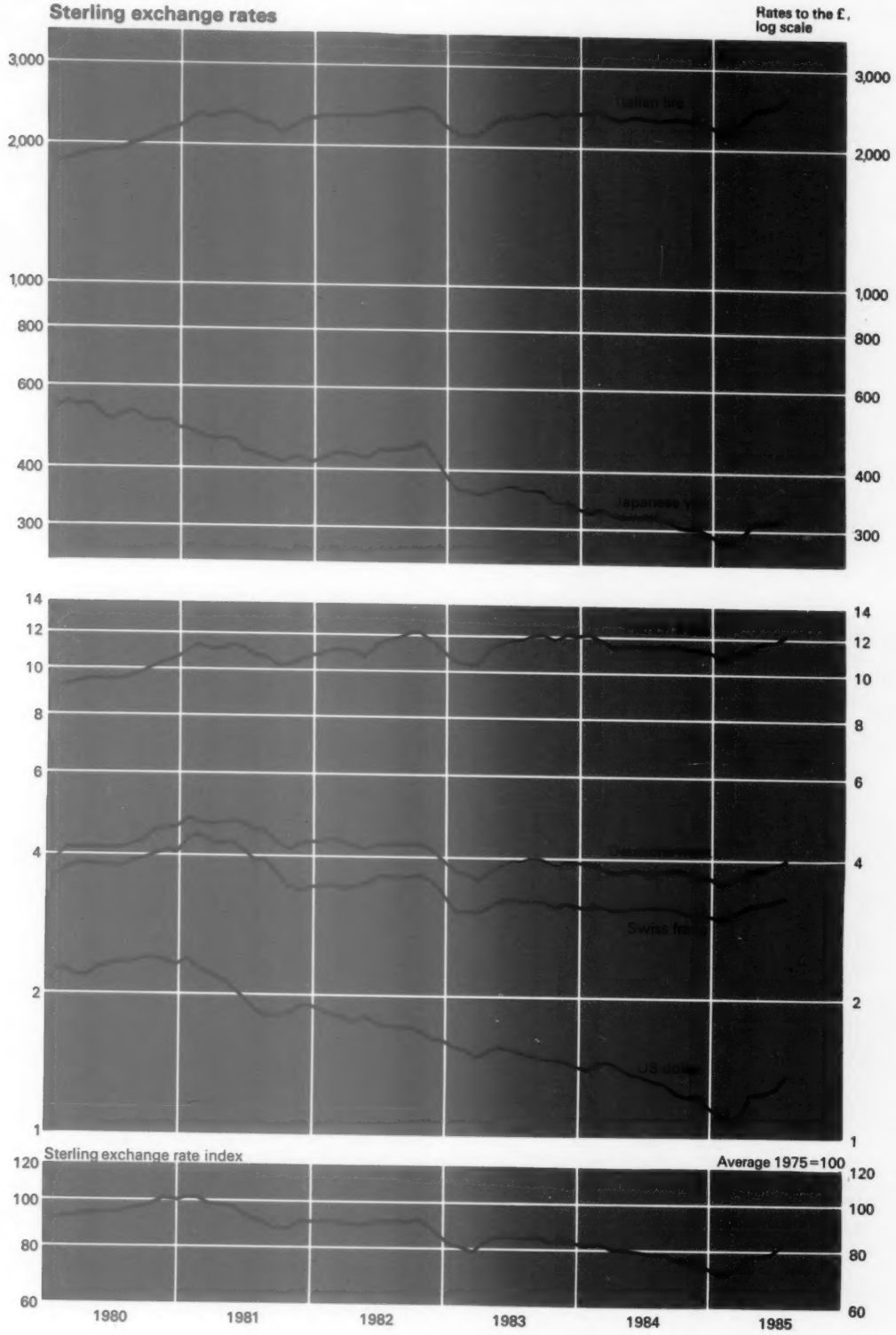

Balance of payments:
£ million
seasonally adjusted
Current account
Invisible balance
Visible balance
Current balance
3,000
2,500
2,000
1,500
1,000
500
0
—500
—1,000
—1,500
1980
1981
1982
1983
1984
1985


Invisible balances
£ million
seasonally adjusted
2,000
1,500
1,000
500
0
—500
—1,000
—1,500
—2,000
Services
Interest, profits
and dividends
Transfers
1980
1981
1982
1983
1984
1985

Sterling exchange rates and UK official reserves

		Sterling exchange rate against major currencies(1)						$ million	Average 1975=100
		Japanese yen	US dollar	Swiss franc	French franc	Italian lira	Deutsche-mark	UK official reserves(2) at end of period	Sterling exchange rate index
		AJED	AJEA	AJED	AJEE	AJEF	AJEH	AIPI	AJHU
1976		535.4	1.805	4.521	8.61	1 497	4.552	4 129	85.7
1977		467.6	1.745	4.189	8.57	1 540	4.050	20 557	81.2
1978		402.7	1.920	3.423	8.64	1 628	3.851	15 694	81.5
1979		465.5	2.123	3.527	9.03	1 763	3.888	22 538	87.3
1980		525.6	2.328	3.894	9.82	1 992	4.227	27 476	96.1
1981		444.6	2.025	3.969	10.94	2 287	4.556	23 347	95.3
1982		435.2	1.749	3.547	11.48	2 364	4.243	16 997	90.7
1983		359.9	1.516	3.182	11.55	2 302	3.870	17 817	83.3
1984		316.8	1.336	3.130	11.63	2 339	3.791	15 694	78.8
		FFCA	FFCB	FFCC	FFCD	FFCE	FFCF		FFCG
1982	1	431.7	1.845	3.459	11.07	2 331	4.331	18 969	91.2
	2	434.3	1.779	3.548	11.18	2 350	4.232	17 703	90.3
	3	446.4	1.725	3.644	11.98	2 404	4.280	18 299	91.5
	4	428.2	1.650	3.532	11.68	2 369	4.129	16 997	89.1
1983	1	380.5	1.530	3.085	10.54	2 143	3.684	17 337	80.5
	2	369.2	1.555	3.227	11.62	2 298	3.867	17 711	84.3
	3	363.8	1.509	3.242	12.02	2 376	3.990	17 902	84.9
	4	344.3	1.471	3.174	12.00	2 387	3.936	17 817	83.2
1984	1	331.1	1.435	3.156	11.90	2 384	3.874	16 749	81.7
	2	320.7	1.396	3.136	11.62	2 339	3.784	15 505	79.8
	3	316.2	1.299	3.167	11.62	2 333	3.786	15 260	78.0
	4	298.4	1.218	3.081	11.39	2 300	3.717	15 694	75.1
1985	1	287.1	1.115	3.065	11.09	2 254	3.628	13 528	72.1
	2	315.2	1.258	3.255	11.83	2 475	3.878	14 318	78.9
		AJFD	AJFA	AJFD	AJFE	AJFF	AJFH		AJHT
1982	S	450.4	1.714	3.662	12.11	2 415	4.288	18 299	91.7
	O	460.1	1.698	3.683	12.13	2 442	4.293	18 493	92.5
	N	432.0	1.633	3.586	11.79	2 400	4.173	18 006	89.5
	D	392.4	1.618	3.324	11.11	2 265	3.919	16 997	85.4
1983	J	366.0	1.573	3.093	10.66	2 182	3.759	16 854	81.9
	F	361.5	1.533	3.088	10.54	2 142	3.717	16 578	80.7
	M	354.9	1.491	3.075	10.44	2 129	3.589	17 337	79.1
	A	366.2	1.541	3.168	11.28	2 239	3.762	17 854	82.8
	M	369.2	1.573	3.236	11.67	2 308	3.879	17 922	84.9
	J	371.8	1.549	3.271	11.87	2 340	3.948	17 711	85.2
	J	367.3	1.528	3.235	11.89	2 340	3.954	17 938	84.8
	A	367.0	1.502	3.250	12.08	2 386	4.015	18 009	85.1
	S	363.3	1.498	3.242	12.08	2 400	3.998	17 902	84.8
	O	348.6	1.497	3.180	11.90	2 368	3.896	18 102	83.4
	N	347.3	1.478	3.206	12.06	2 401	3.985	18 099	83.7
	D	336.4	1.435	3.153	12.02	2 391	3.944	17 817	82.5
1984	J	329.2	1.408	3.167	12.10	2 403	3.958	17 773	81.9
	F	336.4	1.440	3.177	11.97	2 402	3.889	17 983	82.2
	M	327.8	1.457	3.127	11.65	2 350	3.781	16 749	81.0
	A	320.3	1.424	3.114	11.56	2 327	3.760	15 941	79.9
	M	320.3	1.389	3.149	11.71	2 357	3.819	15 835	80.0
	J	321.5	1.377	3.142	11.59	2 333	3.772	15 505	79.4
	J	320.8	1.321	3.181	11.55	2 311	3.761	15 374	78.4
	A	318.3	1.314	3.176	11.64	2 338	3.791	15 347	78.4
	S	306.8	1.259	3.142	11.69	2 352	3.808	15 260	77.3
	O	301.1	1.220	3.079	11.48	2 317	3.744	15 353	75.6
	N	302.2	1.242	3.061	11.40	2 309	3.714	15 496	75.7
	D	294.3	1.187	3.040	11.29	2 270	3.689	15 694	74.0
1985	J	286.8	1.129	2.999	10.95	2 199	3.577	15 521	71.5
	F	284.7	1.093	3.064	11.02	2 229	3.606	15 353	71.3
	M	289.8	1.123	3.146	11.31	2 336	3.701	13 528	73.4
	A	312.3	1.242	3.210	11.89	2 446†	3.830	14 025	78.0
	M	314.6	1.250	3.264	11.84	2 476	3.882†	13 976	78.8
	J	318.7†	1.281†	3.292	11.96	2 502	3.923	14 318	79.9
	J	332.6	1.378	3.323†	12.21†	2 620	4.014	14 256†	83.3†

1 Average of daily Telegraphic Transfer rates in London.
2 Apart from transactions, the level of official reserves is affected by changes in the dollar valuation of gold, Special Drawing Rights and convertible currencies. From end-March 1979 these rates are revised annually. These valuation changes are described in detail in the footnotes of Table 19 of the quarterly balance of payments articles in the March, June, September and December issues of Economic Trends. At end-March 1985 the valuation change reduced the level of reserves by $2111 million. The effect of changes in earlier years are given in earlier editions of this table.

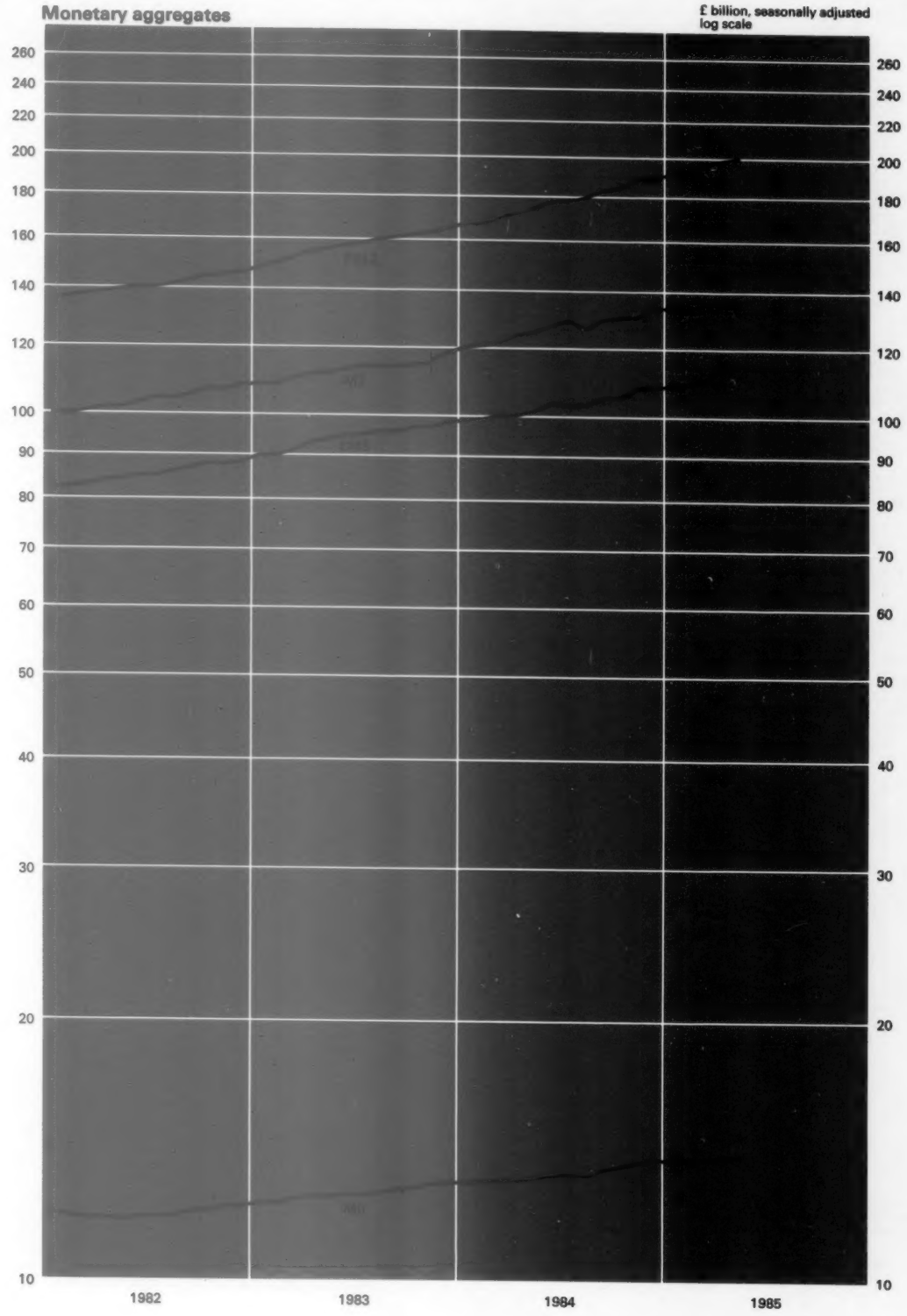

Sterling exchange rates
Rates to the £, log scale
3,000
2,000
1,000
800
600
400
300
Italian lire
Japanese yen
14
12
10
8
6
4
2
1
Swiss francs
US dollar
Sterling exchange rate index
Average 1975=100
120
100
80
60
1980
1981
1982
1983
1984
1985

Monetary aggregates (1)

£ million

	Seasonally adjusted			Not seasonally adjusted			Seasonally adjusted					
	'Narrow' money						'Broad money'					
	M0-the wide monetary base			M2- transactions balances			£M3(2)			PSL 2		
	Amount outstanding(3)	Change(3)	Percentage change	Amount outstanding	Change	Percentage change	Amount outstanding	Change	Percentage change	Amount outstanding	Change	Percentage change
At end period							AGBC	AGCT	AGBD	AGKL	AGLL	FHBB
1980 2	..	..	..	..	..	..	61 370	3 190	+5.5	114 176	4 392	+4.0
3	..	..	..	..	..	..	64 400	3 040	+5.0	117 946	3 773	+3.3
4	..	..	..	..	..	..	67 150	2 782	+4.3	122 527	4 582	+3.9
1981 1	..	..	..	..	..	..	68 570	1 380	+2.1	124 994	2 343	+2.0
2	..	..	..	..	..	..	71 420	2 848	+4.2	129 765	4 759	+3.8
3	..	..	..	..	..	..	74 850	3 424	+4.8	134 315	4 548	+3.5
							77 830			135 902		
4(4)	..	..	..	..	..	..	83 670	1 373	+1.8	137 049	2 219	+2.0
1982 1	..	..	..	..	..	..	85 810	2 113	+2.5	140 509	3 528	+2.5
2	..	..	..	..	..	..	87 640	1 827	+2.1	142 858	2 333	+1.7
3	..	..	..	..	..	..	89 540	1 906	+2.2	145 825	2 976	+2.1
4	..	..	..	..	..	..	91 490	1 935	+2.2	149 081	3 203	+2.2
							97 260					
1983 1							95 970	3 901	+4.3	155 946	7 260	+5.3
2	..	..	..	..	..	..	98 210	2 262	+2.4	161 042	4 115	+2.6
3	..	..	..	..	..	..	99 300	1 087	+1.1	163 952	2 901	+1.8
4	..	..	..	..	..	..	101 680	2 227	+2.2	168 242	4 131	+2.6
1984 1	..	..	..	..	..	..	103 750	2 067	+2.0	173 800	5 549	+3.3
2	..	..	..	..	..	..	106 020	2 253	+2.2	180 733	6 923	+4.0
3	..	..	..	..	..	..	108 970	2 985	+2.8	186 630	5 900	+3.3
4	..	..	..	..	..	..	111 950	2 575	+2.4	193 301	6 275	+3.6
1985 1	..	..	..	..	..	..	116 410	4 456	+4.0	202 073†	8 805†	+4.5†
At mid-month	AEGK	AEGV	FHBE	AGAZ	AGDV	FHBC	AGBO	AGDT	AGBP	AGML	AGNL	FHBD
1982 N	12 240	85	+0.8	107 203	-281	-2.0	88 707	146	+0.2	145 888	619	+0.3
D	12 289	49	+0.3	108 533	1 330	+1.2	88 939	232	+0.3	146 623	721	+0.4
1983 J	12 403	114	+0.9	108 428	-85	-0.1	90 215	1 328	+1.5	148 710	2 139	+1.4
F	12 402	-1	-0.1	108 850	422	+0.4	90 755	526	+0.6	150 401	1 664	+1.2
M	12 536	134	+1.1	110 477	1 627	+1.5	91 788	983	+1.1	152 432	1 957	+1.3
A	12 632	96	+0.8	112 017	1 540	+1.4	93 865	1 831	+2.0	155 230	2 735	+2.0
M	12 640	28	-	112 519	522	+0.4	94 421	737	+0.8	156 293	1 041	+0.7
J	12 730	90	+0.8	113 638	1 119	+1.0	95 301	861	+0.9	157 758	1 440	+1.0
J	12 753	23	-0.1	114 748	1 110	+1.0	96 025	709	+0.7	159 382	1 614	+0.9
A	12 808	55	+0.3	114 214	-534	-0.5	96 463	439	+0.5	160 711	1 327	+0.9
S	12 912	104	+1.1	114 331	97	+0.1	96 650	114	+0.1	161 301	514	+0.8
O	12 951	39	+0.6	115 085	754	+0.7	97 704	1 059	+1.1	162 842	1 540	+0.8
N				115 282								
	13 006	55	+0.5	116 040	197	+0.8	97 667	-32	-	163 615	769	+0.3
D	13 070	64	+0.6	119 585	3 259	+3.1	98 784	909	+0.9	165 277	1 452	+1.0
1984 J	13 132	62	+0.2	121 001	1 218	+1.2	99 747	958	+1.0	167 367	2 084	+1.1
F	13 160	28	+0.2	121 247	77	+0.2	99 653	-82	-0.1	168 252	880	+0.6
M	13 229	69	+0.6	122 897	1 598	+1.4	101 049	1 373	+1.4	171 053	2 770	+1.7
A	13 231	2	+0.1	125 202	2 305	+1.9	101 391	377	+0.4	172 586	1 562	+0.9
M	13 298	67	+0.4	125 864	622	+0.5	102 241	883	+0.9	174 547	1 967	+1.2
J	13 425	127	+1.0	128 024	2 110	+1.7	103 986	1 720	+1.7	178 101	3 514	+2.3
J	13 497	72	+0.5	129 443	1 419	+1.1	103 367	-628	-0.6	178 544	419	+0.2
A	13 497	-	-	129 826	383	+0.3	104 049	659	+0.6	180 099	1 531	+0.9
S	13 590	93	+0.7	129 817	-9	-	105 337	1 267	+1.2	182 477	2 358	+1.3
O	13 657	67	+0.5	130 535	718	+0.6	105 795	481	+0.4	184 820	2 340	+1.3
N	13 735	78	+0.6	131 681	1 146	+0.9	108 119	2 313	+2.2	188 758	3 932	+2.1
D	13 924	189	+1.4	133 741	1 958	+1.6	108 484	-102	-0.1	189 596	343	+0.4
1985 J	13 840	-84	-0.6	133 912	171	+0.1	109 592	1 094	+1.0	192 787	3 173	+1.7
F	13 875	35	+0.3	133 856	-56	-	109 919	315	+0.3	194 494†	1 687†	+0.9
M	13 928	53	+0.4	135 032	1 176	+0.9	110 877	979	+0.9	196 759	2 279	+1.2
A	14 026	98	+0.7	136 261	1 229	+0.9	114 129	3 257	+2.9	200 182	3 408	+1.7
M	14 017	-9	-0.1	136 241†	130	-†	114 661	507†	+0.4	200 932	710	+0.4
J	14 122	105	+0.8	139 676	-	+2.5	117 268†	2 543	+2.2†	204 636	3 636	+1.8†
J	14 179†	57†	+0.4†	138 929	-	-0.5	116 425	-800	-0.7	204 882	284	+0.1

1 Data for M0, £M3 and PSL 2 are seasonally adjusted; there are at present no seasonal adjustments for M2.
2 Excluding public sector deposits (see article in Economic Trends No 364, February 1984).
3 The monthly figures for M0 give, in respect of the amounts outstanding, the average of the amounts outstanding on each Wednesday during the banking month and, in respect of the change, the changes between the average amounts outstanding.
4 Changes up to and including the 4th quarter of 1981 in the quarterly series and 18 November 1981 in the monthly series, have been calculated on the basis of the old banking sector; after those dates, changes in each series have been calculated on the basis of the new monetary sector. Figures for the 4th quarter of 1981 are partly estimated.


Monetary aggregates
£ billion, seasonally adjusted
log scale
260
240
220
200
180
160
140
120
100
90
80
70
60
50
40
30
20
10
1982
1983
1984
1985

Counterparts to changes in money stock (1)

£ million, seasonally adjusted(2)

		Domestic counterparts								
		Public sector borrowing requirement		Net acquisition of public sector debt by UK non-bank private sector						
		Central government borrowing requirement	Other public sector contribution	Other public sector debt	Central government debt	Sterling lending to UK private sector(3)	Sub-total of domestic counterparts	External and foreign currency counterparts(4)	Non-deposit sterling liabilities (net)	Money stock £M3
		1	2	3	4	5	6	7	8	9
		ABEA	AAZB	AGFA	AGFB	AGFD	AGFE	AGFF	AGGG	AGCJ
1980		10 806	1 010	243	9 185	10 025	12 413	-882	-936	10 595
1981		10 398	189	-796†	12 118	11 405	10 670†	157†	-1 532	9 295
1982		7 855	-2 901	-392	11 012	17 556	11 890	-1 901	-2 466	7 523
1983		14 497†	-2 888	-517	11 302†	12 903	13 727	-3 297	-946	9 484
1984		10 186	55†	-140	11 297	16 584	15 668	-3 582	-2 226	9 860
		ABEC	AAZM	AGFH	AGFO	AGFP	AGFQ	AGFR	AGGI	AGCT
1981	1	2 502	-654	-485	3 909	2 053	477	1 106	-203	1 380
	2	5 713	540	-109	3 280	895	3 977	-683	-446	2 848
	3	2 964	50	-146†	1 762	2 864	4 262†	-123†	-715	3 424
	4	-781	253	-56	3 167	5 326	1 687	-143	-171	1 373
1982	1	-156	172	-58	3 593	5 877	2 358	-261	16	2 113
	2	1 763	-121	-44	1 136	3 628	4 178	-2 054	-297	1 827
	3	2 824	-1 091†	-55	4 256	5 046	2 578	-195	-477	1 906
	4	3 424	-1 861	-235	2 027	3 272	3 043	609	-1 717	1 935
1983	1	5 157	-811	54	1 318	2 221	5 195	-1 816	522	3 901
	2	3 667†	-1 878	-291	2 211	3 383	3 252	-546	-444	2 262
	3	2 875	-93	-200	4 647†	3 742	2 077	-133	-857	1 087
	4	2 798	-106	-80	3 126	3 557	3 203	-802	-174	2 227
1984	1	2 484	-467	248	2 847	4 962	3 864	-876	-921	2 067
	2	3 296	36	161	2 113	2 824	3 882	-1 570	-59	2 253
	3	2 553	259	137	2 790	3 586	3 471	-515	9	2 965
	4	1 873	227	-686	3 547	5 212	4 451	-821	-1 255	2 575
1985	1	2 656	-391	-59	4 503	7 209	5 030	780	-1 354	4 456
	2	1 526	100							
Month ended										
1983		AGEP	AGEQ		AGER	AGES	AGET	AGEU	AGGJ	AGDT
Jun	15	1 730	-787		-901	991	1 033	-351	179†	861
Jul	20	1 541	-342		-1 179	816	836	-110	-17	709
Aug	17	786	215		-1 203	1 285	1 072	-506	-127	439
Sep	21	913	525		-2 214	1 254	478	117	-481	114
Oct	19	1 012	-384		-805	1 458	1 301	-205	-37	1 059
Nov	16	906	-63		-1 508	1 063	398	-340	-90	-32
Dec	14	268	211		-737	1 782	1 504	-144	-451	909
1984										
Jan	18	1 080	-841		-1 021	949	187	683	118†	988
Feb	15	1 246	12		-1 174	1 216	1 300	-717	-865	-82
Mar	21	651	-73		-533	1 568	1 613	-371	131	1 373
Apr	18	1 496	173		-1 272	1 555	1 952	-1 210	-365	377
May	16	875	-368		-362	875	1 020	-189	52	883
Jun	20	1 028	175		-964	1 620	1 859	126	-265	1 720
Jul	18	316	-196		-814	330	-384	-651	387	-628
Aug	15	979	305		-1 669	680	295	311	53	659
Sep	19	1 467	115		-950	1 365	2 000	-843	110	1 267
Oct	17	315	-9		-1 378	2 087	1 018	-191	-366	461
Nov	21	1 985	397		-1 438	1 691	2 315	358	-360	2 313
Dec	12	-1 121	195		-486	1 581	169	170	-441	-102
1985										
Jan	16	317	84		-992	2 131	1 540	-290	-158†	1 094
Feb	20	819	76		-1 661	1 608	932	-680	63	315
Mar	20	1 214	2		-1 142	1 811	1 885	-344	-562	979
Apr	17	910	138		-1 312†	2 574	2 310†	1 359†	-412	3 257
May	15	390†	-5		-708	1 437	1 114	50	-657	507†
Jun	19	766	-17†		-256	1 381†	1 884	713	-34	2 543
Jul	17	-88	-418		-450	1 530	578	-770	606	-800

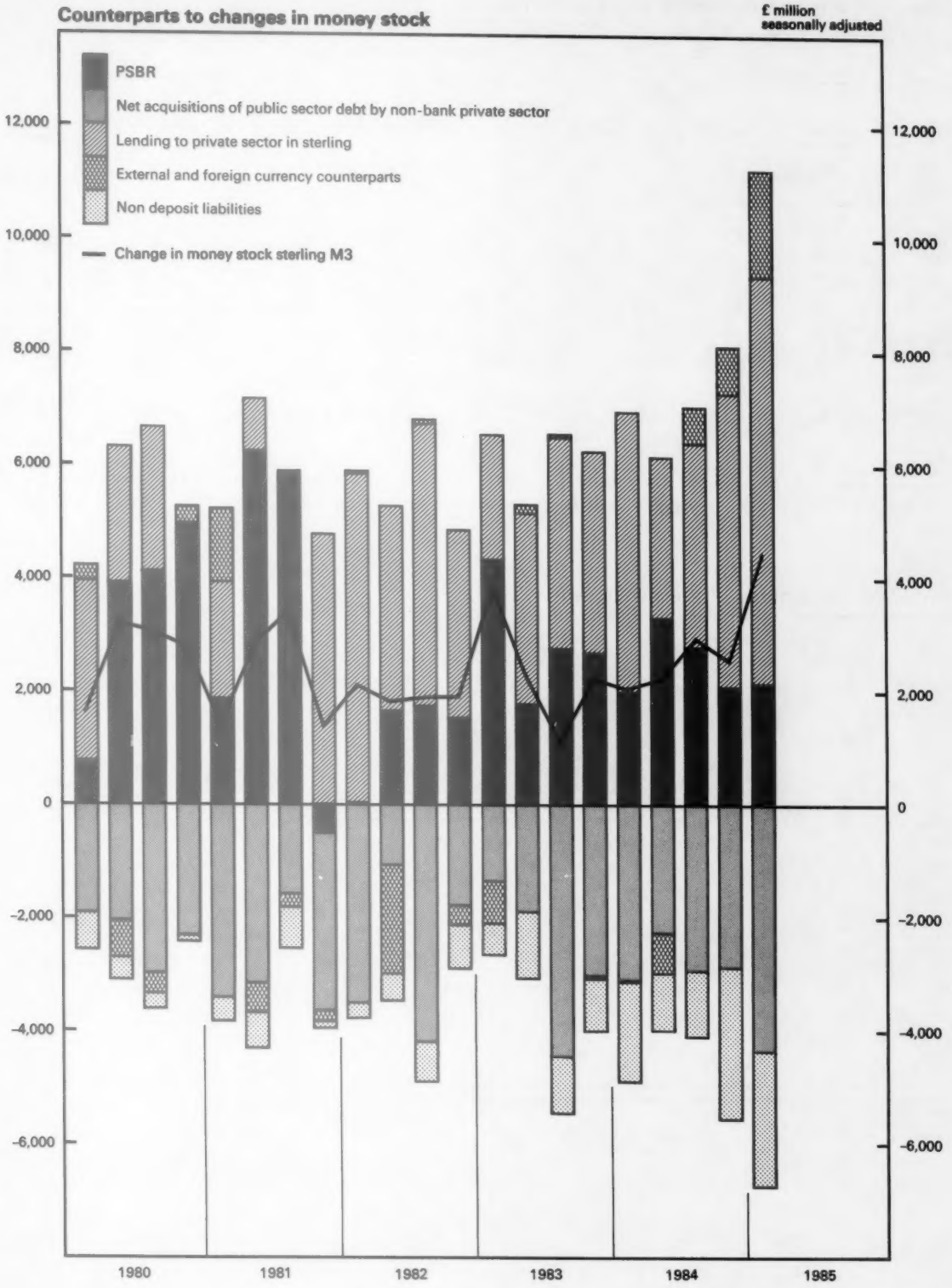
Relationships between columns: 6 = 1+2-3-4-5; 9 = 6+7+8 (The figures combined in the bracket are column 2 less column 3.)

1 Changes up to and including the 4th quarter of 1981 in the quarterly series, and 18 November 1981 in the monthly series, have been calculated on the basis of the old banking sector; after those dates, changes in each series have been calculated on the basis of the new monetary sector. Figures for the 4th quarter of 1981 are partly estimated.

2 The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

3 Banking sector lending plus Bank of England Issue Department holdings of commercial bills.

4 This now includes net non-deposit liabilities in foreign currency.


Counterparts to changes in money stock
£ million
seasonally adjusted
PSBR
Net acquisitions of public sector debt by non-bank private sector
Lending to private sector in sterling
External and foreign currency counterparts
Non deposit liabilities
Change in money stock sterling M3
12,000
10,000
8,000
6,000
4,000
2,000
0
-2,000
-4,000
-6,000
1980
1981
1982
1983
1984
1985

General government receipts and expenditure (1)

£ million

		General government									
		Receipts(2)		Expenditure							
		Taxes, national insurance, etc. contributions	Trading income rent, royalties interest etc.	Goods and services		Current and capital transfers			Net lending etc(3)	Total	Public expenditure planning total
				Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest			
		ABKA	ABKB	AAXI	ABKC	ABKD	AAYG	AAXL	ABKE	ABKF	ABAZ
1981		95 360	11 189	55 276	4 550	38 700	2 468	13 256	2 606†	116 856†	99 557
1982		106 686	12 386	60 154	4 688	43 665	2 918	14 537	2 727	128 689	110 077
1983		115 190	11 917	65 765	5 734	47 895	3 726	14 590	877	138 587	119 505
1984		123 260	12 437	69 779	6 204	52 068	3 987	16 084	-1 899	146 203	125 856
1982	1	28 088	3 105	14 686	1 477	10 346	873	4 268	631†	32 283†	27 766
	2	24 622	3 055	14 932	749	10 914	526	3 086	186	30 392	26 033
	3	27 313	3 034	15 063	1 186	10 866	616	4 116	1 062	32 908	27 430
	4	26 863	3 192	15 471	1 277	11 539	903	3 068	848	33 106	28 848
1983	1	30 454	3 176	16 445	2 051	11 507	1 071	4 176	967	36 217	31 189
	2	26 281	2 904	16 307	878	12 024	718	3 001	50	32 978	27 404
	3	28 234	2 877	16 284	1 420	12 010	889	3 995	5	34 583	29 583
	4	30 221	2 960	16 729	1 385	12 354	1 068	3 418	-145	34 809	31 329
1984	1	32 248	3 073	16 916	2 263	13 163	1 329	4 480	-390	37 761	32 247
	2	28 211	2 990	17 080	1 001	13 008	852	3 384	-15	35 310	30 067
	3	30 928	3 184	17 540	1 532	12 939	852	4 221	-345	36 739	31 205
	4	31 873	3 190	18 243	1 408	12 958	954	3 979	-1 149	36 393	32 337
1985	1	35 018	3 477	18 425	2 431	14 636	1 063	4 628	-344	40 839	35 984

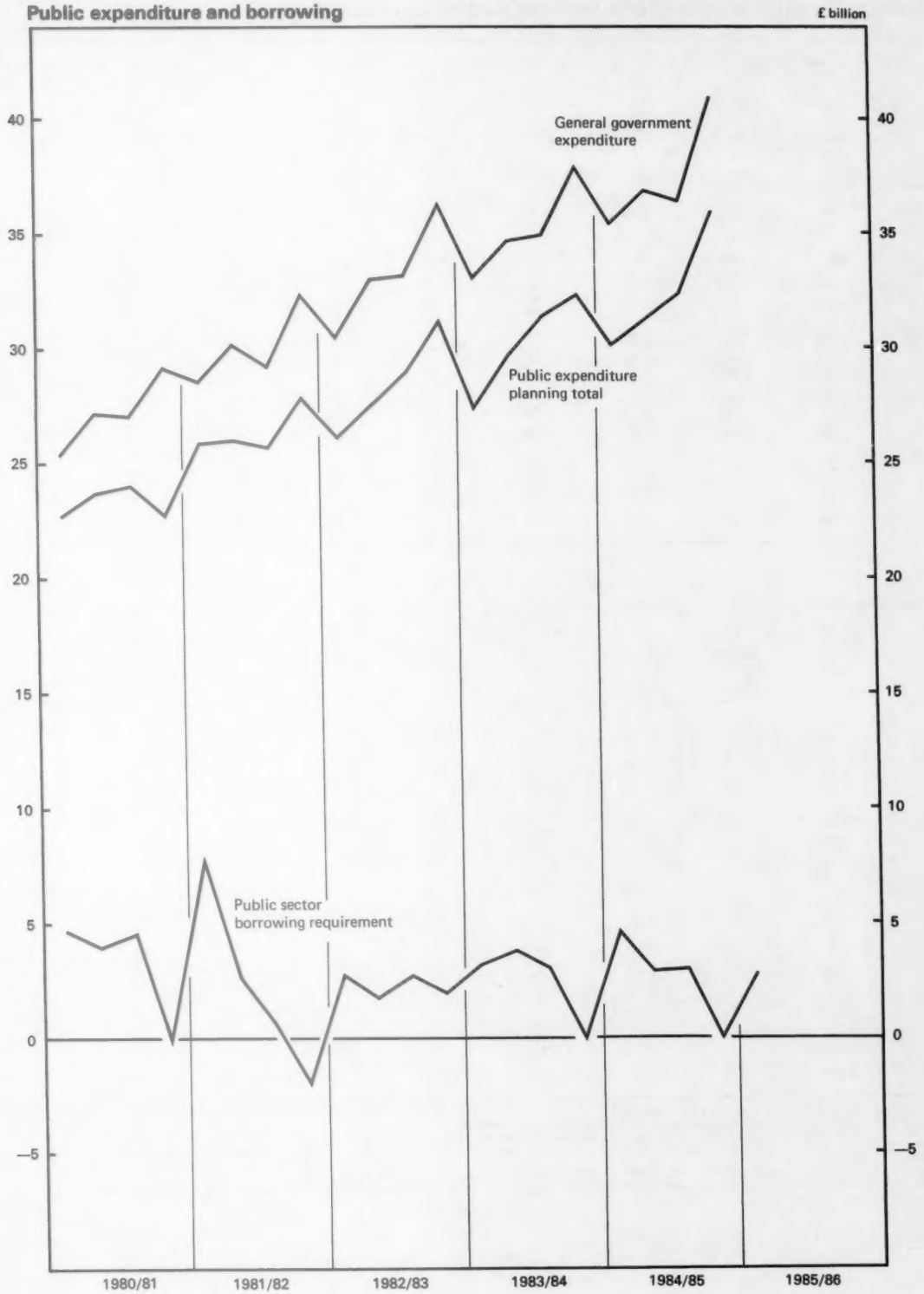
1 An article describing the new presentation of government income and expenditure was published in the March 1977 issue of Economic Trends.
2 Excluding financial transactions.
3 Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc.(net).

Financial transactions of the public sector

£ million

		Financial deficit(1)				Receipts					
								Borrowing requirement(4)			
		Total	General government(2)	Public corporations	Net lending etc., to private sector and overseas(3)	Total	Financial transactions (net receipts)	Total	Central government (own account)(5)	Local authorities	Public corporations	Seasonally adjusted Total(6)
		FZAA	FZAB	FZAC	ABKG	ABKH	ABKI	ABEN	ABEB	ABEG	ABEM	ABFB
1981		8 901	7 701	1 200	876†	9 777†	-810†	10 587	10 086†	264†	237†	10 587
1982		7 855	6 690	1 165	767	8 622	3 668	4 954	4 077	-799	1 676	4 954
1983		10 825	10 603	222	-673	10 152	-1 457	11 609†	9 198	1 232	1 179	11 609†
1984		12 537	12 361	176	-2 498	10 039	-202	10 241	6 912	2 304	1 025	10 241
1982	2	2 876	2 529	347	281†	3 157†	464†	2 693	3 275	-258†	-324†	1 642
	3	2 391	1 499	892	227	2 618	907	1 711†	973	-118	856	1 733†
	4	1 976	2 203	-227	231	2 207	-453	2 660	2 917	-684	427	1 563
1983	1	1 661	1 620	61	29	1 710	-81	1 801	78	1 147	576	4 346
	2	3 778	3 743	35	-408	3 372	202	3 170	3 658†	-100	-388	1 789
	3	4 218	3 467	751	-256	3 962	260	3 702	2 981	371	370	2 782
	4	1 148	1 773	-625	-40	1 108	-1 628	2 936	2 501	-186	621	2 692
1984	1	2 481	2 830	-349	-439	2 042	2 115	-73	-933	1 121	-261	1 997
	2	3 940	4 124	-184	-29	3 911	-690	4 601	4 524	554	-477	3 332
	3	3 699	2 972	727	-679	3 020	217	2 803	1 920	684	199	2 812
	4	2 417	2 435	-18	-1 351	1 086	-1 844	2 910	1 401	-55	1 564	2 100
1985	1	2 723	2 688	35	-32	2 691	2 750	-59	-1 191	1 203	-71	2 265
	2							2 658	2 731	472	-545	1 756
1985	A							1 793	1 131	781	-119	
	M							1 008	1 221	-	-213	
	J							-60	303	-357	-6	

1 The excess of current and capital expenditure over receipts; corresponds to a negative figure of financial surplus/deficit.
2 Top table, columns 3 to 7, less 1 and 2.
3 Including cash expenditure on company securities (net).
4 Redefined: see article in Economic Trends No 364, February 1984.
5 Excluding borrowing matched by on-lending to local authorities and public corporations.
6 Calendar year constrained.


Public expenditure and borrowing
£ billion
General government expenditure
Public expenditure planning total
Public sector borrowing requirement
40
35
30
25
20
15
10
5
0
—5
1980/81
1981/82
1982/83
1983/84
1984/85
1985/86

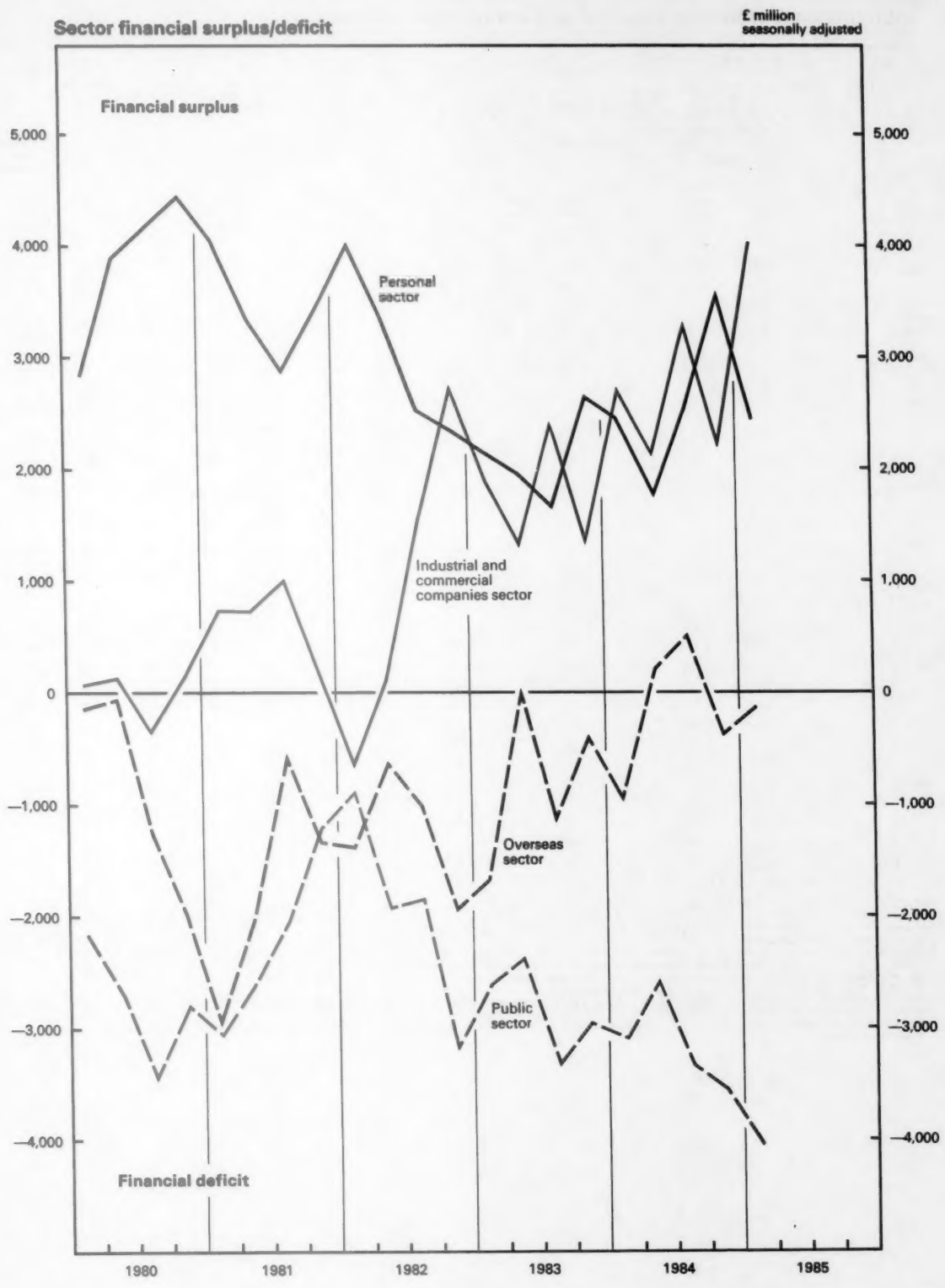
Summary capital accounts and financial surplus or deficit: analysis by sector

£ million, seasonally adjusted

		Public sector(1)			Financial companies and institutions			Industrial and commercial companies		
		Saving(2)	Capital transfers (net receipts)	Gross domestic capital formation(3)	Saving(2)	Capital transfers (net receipts)	Gross domestic capital formation(3)	Savings(2)	Capital transfers (net receipts)	Gross domestic capital formation(3)
		FQAA	FQAB	FQAC	AAAM	AAAN	GGCR	AAAQ	AAAR	GGCQ
1980		2 324	-564	12 900	3 945	-128	5 157	17 507	416	17 917
1981		3 344	-443	11 796	4 087	-399	5 361	19 500	629	17 471
1982		5 708	-907	12 656	4 700	-252	5 676	20 427	603	17 222
1983		4 851	-1 559	14 117	5 557	-182	5 248	26 343	476	19 830
1984		2 759	-1 678	13 618	6 456	-186	6 528	32 817	361	22 827
		ABKJ	ABKK	ABKL	AAUM	AAUN	GGCX	AAUQ	AAUR	GGCW
1981	1	218	-157	3 125	912	-32	1 218	4 282	145	3 679
	2	568	-176	2 991	926	-45	1 351	4 757	169	4 188
	3	948	-207	2 770	959	-40	1 387	5 443	179	4 618
	4	1 610	91	2 910	1 290	-282	1 405	5 018	136	4 986
1982	1	2 482	-226	3 145	692	-94	1 445	3 893	185	4 718
	2	1 185	-119	2 971	1 267	-65	1 504	4 783	92	4 743
	3	1 557	-193	3 213	1 381	-53	1 561	5 344	88	3 863
	4	504	-369	3 327	1 360	-40	1 366	6 407	238	3 898
1983	1	1 442	-352	3 699	1 443	-46	1 439	6 157	186	4 468
	2	1 225	-288	3 310	1 494	-60	1 257	5 709	116	4 497
	3	1 119	-414	3 599	1 247	-43	1 242	7 543	86	5 170
	4	1 065	-505	3 509	1 373	-33	1 310	6 934	88	5 695
1984	1	930	-522	3 504	1 348	-64	1 495	8 048	56	5 387
	2	928	-397	3 101	1 612	-59	1 587	7 411	108	5 398
	3	631	-412	3 541	1 547	-40	1 668	8 573	108	5 369
	4	270	-347	3 472	1 949	-33	1 778	8 785	89	6 673
1985	1	-545	-228	3 276	2 772	-62	2 785	10 122	83	6 172
	2									

		Personal sector			Financial Surplus Deficit(4)					
		Saving(2)	Capital transfers (net receipts)	Gross domestic capital formation(3)	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector(5)	Balancing item(6)
		AAAU	AAAV	GGCP	AABE	AABF	AABG	AABH	AABI	AABJ
1980		24 539	276	9 496	-11 140	-1 340	6	15 319	-3 100	832
1981		23 708	219	10 247	-8 901	-1 673	2 658	13 678	-6 528	1 171
1982		24 639	556	12 959	-7 855	-1 428	3 808	12 236	-4 663	-1 838
1983		22 421	1 285	15 261	-10 825	127	6 989	8 425	-3 168	-1 470
1984		25 336	1 513	16 498	-12 537	-268	10 351	10 351	-935	-7 273
		AAUU	AAUV	GGCV	AAVE	AAVF	AAVG	AAVH	AAVI	AAVJ
1981	1	6 338	44	2 350	-3 064	-338	748	4 032	-2 965	1 587
	2	5 696	52	2 360	-2 599	-470	738	3 358	-2 056	1 029
	3	5 581	68	2 766	-2 029	-468	1 004	2 883	-581	-809
	4	6 121	55	2 771	-1 209	-397	168	3 405	-1 331	-636
1982	1	6 843	135	2 943	-889	-847	-640	4 035	-1 373	-286
	2	6 399	92	3 165	-1 925	-302	132	3 328	-823	-608
	3	5 713	158	3 360	-1 849	-233	1 589	2 511	-1 000	-998
	4	5 684	171	3 491	-3 192	-46	2 747	2 364	-1 927	54
1983	1	5 501	212	3 566	-2 609	-42	1 875	2 145	-1 681	312
	2	5 515	232	3 783	-2 373	177	1 328	1 964	17	-1 113
	3	5 352	371	4 072	-2 894	-38	2 459	1 651	-1 176	-2
	4	6 053	450	3 838	-2 949	30	1 327	2 665	-406	-667
1984	1	6 086	530	4 161	-3 096	-211	2 717	2 455	-966	-899
	2	5 558	348	4 134	-2 570	-34	2 121	1 772	203	-1 492
	3	6 319	344	4 126	-3 322	-161	3 312	2 537	512	-2 878
	4	7 373	291	4 077	-3 549	138	2 201	3 587	-373	-2 004
1985	1	6 564	207	4 322	-4 049	-75	4 033	2 449	-123	-2 235
	2									

1 Excluding financial transactions in writing-off debt.
2 Before providing for depreciation stock appreciation and addition to reserves.
3 Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
4 This balance is equal to saving plus capital transfers less gross domestic fixed capital formation, less increase in value of stocks and work in progress.
5 Equals, apart from the change in sign, the current balance of payments accounts, plus capital transfers.
6 For periods when the sector current and capital accounts are fully articulated it is equal to the residual error in the national accounts.


Sector financial surplus/deficit
£ million
seasonally adjusted
Financial surplus
5,000
4,000
3,000
2,000
1,000
0
—1,000
—2,000
—3,000
—4,000
Financial deficit
Personal sector
Industrial and commercial companies sector
Overseas sector
Public sector
1980
1981
1982
1983
1984
1985

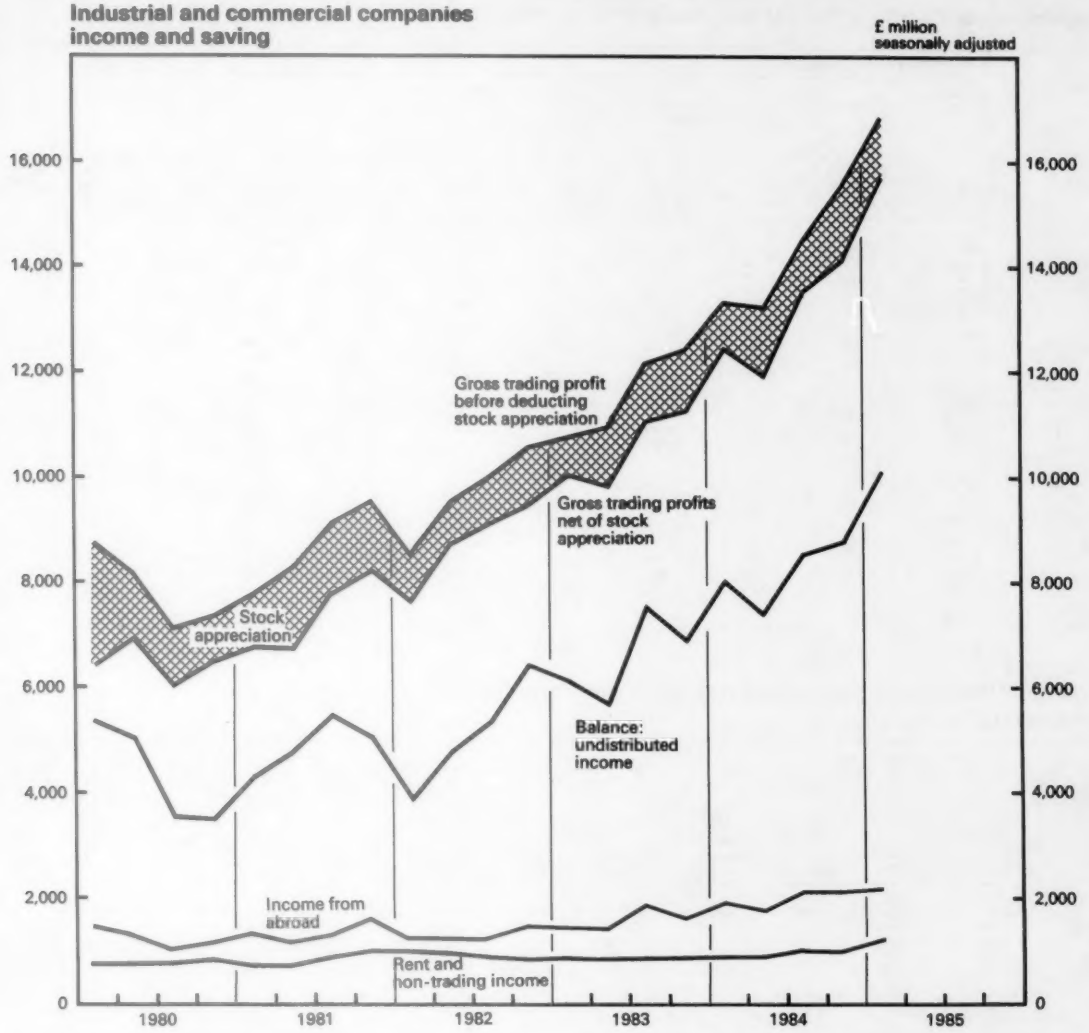
Appropriation account of industrial and commercial companies(1)

£ million, seasonally adjusted

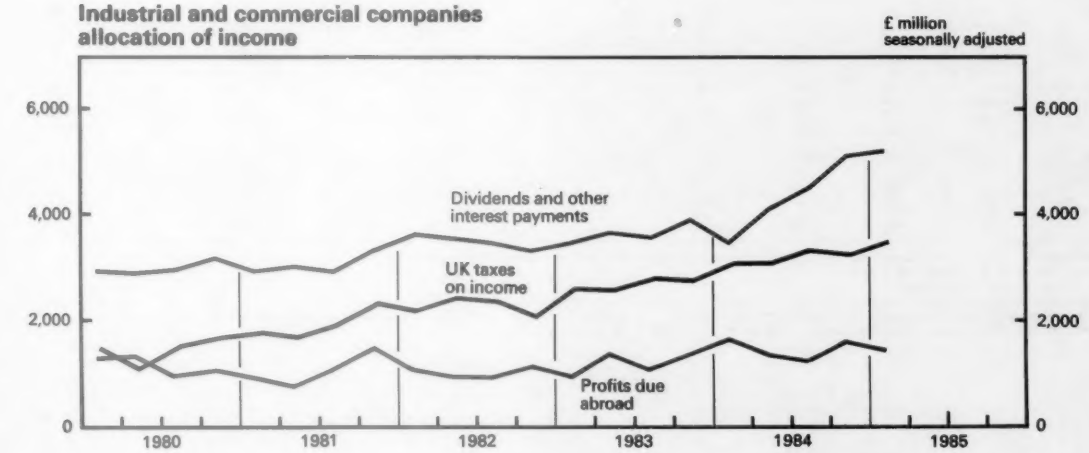
		Income								Allocation of income				Balance	
			Income arising in the United Kingdom							Dividends, interest and current transfer payments					
			Gross trading profits												
			Net of stock appreciation												
		Total income	Total(2)	N. Sea oil companies	Other companies	Stock appreciation	Before deducting stock appreciation	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Dividends on ordinary shares(3)	Other (3,4)	Profits due abroad (net of UK tax)	UK taxes on income: payments (5)	Undistributed income (6)	Undistributed income adjusted for unrealised profits (6,7)
		AIAA	AIAB	CIDR	CIDS	AIAC	AIAD	AIAE	AIAF	AIAH	AIAI	AIAJ	AIAL	AAAQ	AIAM
1974		16 341	7 765	-17	7 782	5 083	12 828	1 288	2 225	1 246	3 458	506	2 178	8 953	8 422
1975		16 064	8 549	-50	8 599	4 502	13 051	1 301	1 712	1 329	3 392	422	1 727	9 194	8 571
1976		20 433	10 813	527	10 286	5 586	16 399	1 562	2 472	1 532	3 934	724	1 460	12 783	11 656
1977		25 441	17 423	1 971	15 452	4 118	21 541	1 434	2 466	1 749	4 069	1 729	2 395	15 479	15 544
1978		29 169	21 147	2 614	18 533	3 445	24 592	1 728	2 849	1 929	4 479	1 980	3 121	17 660	17 622
1979		38 448	23 039	5 249	17 790	7 389	30 436	2 445	5 565	3 364	6 152	3 736	4 084	21 112	22 061
1980		39 574	25 871	8 057	17 814	5 548	31 419	3 175	4 980	3 260	8 686	4 493	5 628	17 507	18 286
1981		43 523	29 564	10 865	18 699	5 105	34 669	3 411	5 443	3 225	8 986	4 224	7 588	19 500	19 220
1982		47 438	34 984	12 708	22 276	3 501	38 485	3 754	5 199	3 587	10 388	4 084	8 952	20 427	19 925
1983		56 336	42 154	15 652	26 502	4 114	46 268	3 527	6 541	4 491	10 076	4 814	10 612	26 343	25 482
1984		68 638	52 120	19 058	33 062	4 604	56 724	3 843	8 071	5 425	11 860	5 940	12 596	32 817	32 760
		AIAN	AIAO	CIDT	CIDU	AIAP	AIAQ	AIAR	AIAS	AIAU	AIAV	AIAW	AIAY	AAUQ	AIAZ
1977	2	6 306	4 320	507	3 813	992	5 312	349	645	436	1 008	453	602	3 807	3 827
	3	6 477	4 571	519	4 052	979	5 550	338	589	455	998	474	630	3 920	3 933
	4	6 262	4 698	508	4 189	681	5 379	313	570	475	938	440	656	3 753	3 835
1978	1	6 682	5 163	581	4 602	564	5 727	334	621	464	901	453	645	4 219	4 273
	2	7 269	5 146	643	4 503	987	6 133	415	721	582	1 093	433	749	4 412	4 407
	3	7 652	5 598	638	4 960	863	6 461	462	729	432	1 158	510	830	4 722	4 673
	4	7 566	5 240	772	4 468	1 031	6 271	517	778	451	1 327	584	897	4 307	4 289
1979	1	8 234	4 954	945	4 009	1 497	6 451	555	1 228	533	1 376	709	911	4 705	4 660
	2	9 577	5 771	1 189	4 582	1 987	7 758	571	1 248	590	1 409	971	1 103	5 504	5 881
	3	10 167	6 035	1 510	4 525	1 927	7 962	643	1 562	713	1 595	1 002	1 089	5 788	6 096
	4	10 470	6 279	1 805	4 674	1 988	8 267	676	1 527	1 528	1 772	1 054	1 001	5 115	5 424
1980	1	10 971	6 415	1 944	4 471	2 333	8 748	756	1 467	819	2 087	1 251	1 422	5 392	5 776
	2	10 244	6 937	1 926	5 011	1 243	8 180	771	1 293	719	2 158	1 290	1 053	5 024	5 216
	3	8 957	6 032	1 974	4 058	1 106	7 138	795	1 024	846	2 136	921	1 487	3 567	3 714
	4	9 402	6 487	2 213	4 274	866	7 353	853	1 196	876	2 305	1 031	1 666	3 524	3 560
1981	1	9 844	6 774	2 469	4 305	998	7 772	751	1 321	802	2 131	910	1 719	4 282	4 121
	2	10 207	6 767	2 619	4 148	1 491	8 258	759	1 190	883	2 126	770	1 671	4 757	4 545
	3	11 355	7 799	2 786	5 013	1 321	9 120	897	1 338	790	2 156	1 075	1 891	5 443	5 407
	4	12 117	8 224	2 991	5 233	1 295	9 519	1 004	1 594	750	2 573	1 469	2 307	5 018	5 146
1982	1	10 692	7 647	2 706	4 941	813	8 460	1 001	1 231	999	2 615	1 030	2 155	3 893	3 720
	2	11 724	8 715	2 907	5 808	778	9 493	988	1 243	912	2 661	964	2 404	4 783	4 859
	3	12 127	9 124	3 408	5 716	869	9 993	904	1 230	909	2 565	954	2 355	5 344	5 438
	4	12 895	9 498	3 687	5 811	1 041	10 539	881	1 495	767	2 547	1 136	2 038	6 407	5 908
1983	1	13 106	10 016	3 802	6 214	704	10 720	853	1 493	846	2 592	961	2 550	6 157	6 224
	2	13 282	9 821	3 521	6 300	1 120	10 941	887	1 454	1 158	2 483	1 357	2 555	5 709	5 943
	3	14 997	11 058	4 030	7 038	1 126	12 194	879	1 924	1 144	2 438	1 100	2 772	7 543	7 428
	4	14 971	11 249	4 299	6 950	1 164	12 413	888	1 670	1 343	2 583	1 396	2 735	6 934	5 887
1984	1	16 225	12 453	4 372	8 081	920	13 373	907	1 945	949	2 543	1 638	3 047	8 048	8 780
	2	15 982	11 949	4 457	7 492	1 319	13 268	898	1 796	1 356	2 780	1 378	3 057	7 411	7 784
	3	17 705	13 588	4 697	8 889	934	14 520	1 020	2 185	1 301	3 244	1 296	3 291	8 573	8 873
	4	18 746	14 132	5 532	8 600	1 431	15 563	1 018	2 185	1 819	3 313	1 628	3 201	8 785	7 323
1985	1	20 348	15 712	5 606	10 106	1 162	16 874	1 256	2 218	1 398	3 886	1 479	3 483	10 122	10 460

1 Figures reflect inclusion of British Telecom with effect from its privatisation on 28 November 1984.
2 Before providing for depreciation.
3 With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income. Excludes dividend and debenture interest paid by UK subsidiaries to their overseas parents.
4 Including royalties and licence fees on oil and gas production.
5 Mainly payments of corporation tax (including advance corporation tax from 6 April 1973) and petroleum revenue tax.
6 Before providing for depreciation, stock appreciation and additions to reserves.
7 Excludes profits retained abroad by overseas subsidiaries of UK companies. Includes profits retained in the United Kingdom by subsidiaries of overseas companies.

Industrial and commercial companies income and saving



Industrial and commercial companies allocation of income



Capital account and financial surplus/deficit of industrial and commercial companies

£ million, seasonally adjusted

		Receipts					Expenditure				
		Total receipts	Undistributed income	Stock appreciation	Undistributed income less stock appreciation	Capital transfers	Total expenditure	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Taxes on capital and other capital transfers	Balance: Financial surplus or deficit
		FMBI	AAAQ	AIAC	FMBJ	AIBR	FMBM	AAAS	FMBH	AICB	AABG
1981		15 130	19 500	5 105	14 395	735	12 472	15 028	-2 662	106	2 658
1982		17 581	20 427	3 501	16 926	655	13 773	15 632	-1 911	52	3 808
1983		22 880	26 343	4 114	22 229	651	15 891	15 888	-172	175	6 989
1984		28 759	32 817	4 604	28 213	546	18 408	18 636	-413	185	10 351
		FMBA	AAUC	AIAP	FMBC	CIDZ	FMBF	AAUS	FMBG	FMBH	AAVG
1981	2	3 461	4 757	1 491	3 266	195	2 723	3 786	-1 089	26	738
	3	4 326	5 443	1 321	4 122	204	3 322	3 683	-386	25	1 004
	4	3 891	5 018	1 295	3 723	168	3 723	3 781	-90	32	168
1982	1	3 215	3 883	813	3 080	135	3 855	3 677	228	-50	-640
	2	4 129	4 783	778	4 005	124	3 997	3 935	30	32	132
	3	4 598	5 344	869	4 475	123	3 029	3 970	-976	35	1 569
	4	5 639	6 407	1 041	5 366	273	2 892	4 050	-1 193	35	2 747
1983	1	5 674	6 157	704	5 453	221	3 799	3 867	-103	35	1 875
	2	4 745	5 709	1 120	4 589	157	3 418	3 940	-583	41	1 328
	3	6 552	7 543	1 126	6 417	135	4 093	3 799	245	49	2 459
	4	5 908	6 934	1 164	5 770	138	4 581	4 282	249	50	1 327
1984	1	7 237	8 048	920	7 128	109	4 520	4 482	-15	53	2 717
	2	6 240	7 411	1 319	6 092	148	4 119	4 457	-378	40	2 121
	3	7 795	8 573	934	7 639	156	4 483	4 457	-22	48	3 312
	4	7 487	8 765	1 431	7 354	133	5 286	5 240	2	44	2 201
1985	1	9 095	10 122	1 162	8 960	135	5 082	5 240	-230	52	4 033

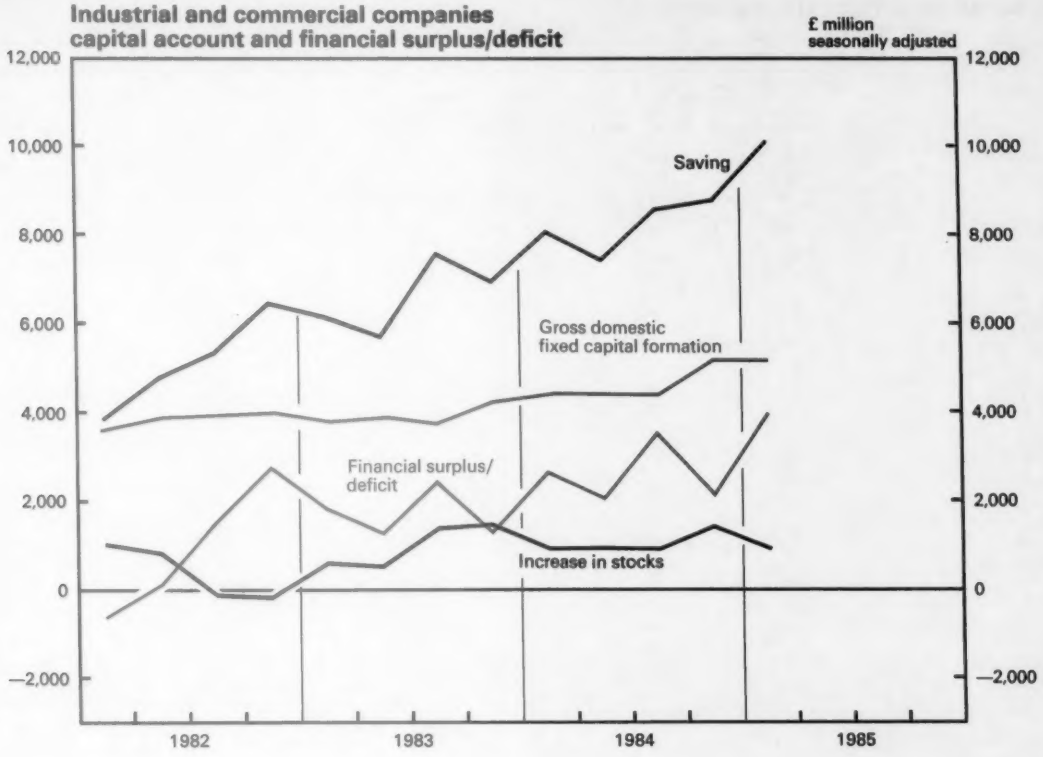
Financial transactions including net borrowing requirement of industrial and commercial companies (1)

£ million, seasonally adjusted

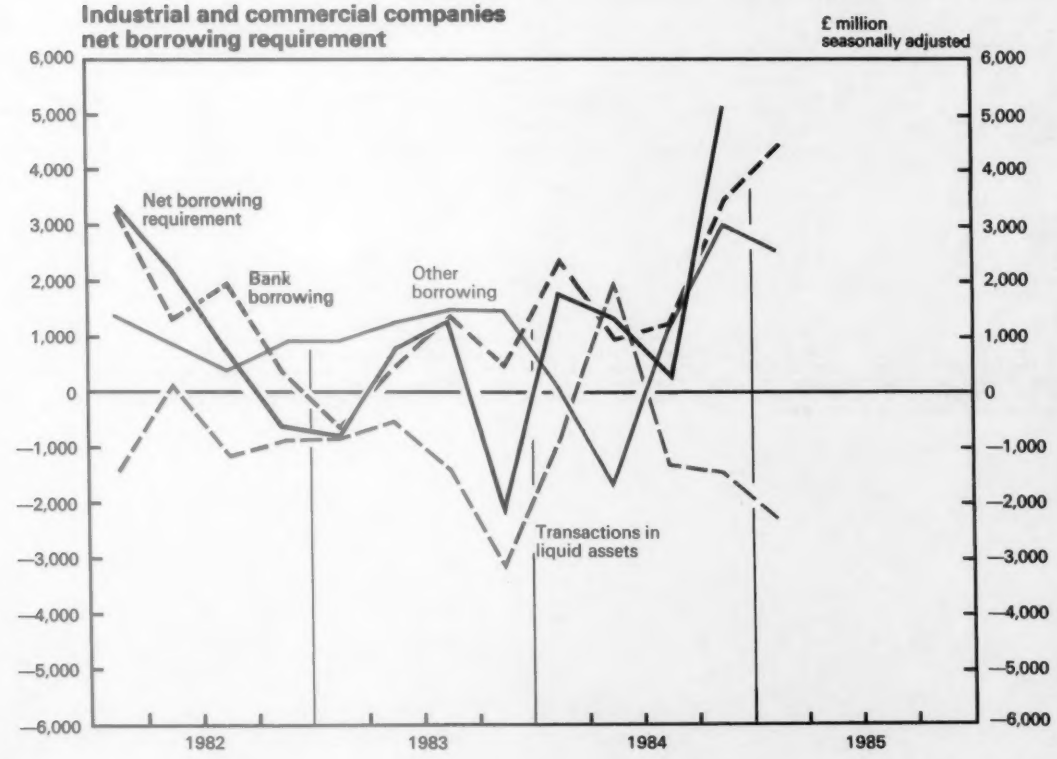
			Transactions leading to net borrowing requirement					Financing of net borrowing requirement(5)				
								Borrowing from		Financial assets		
		Financial surplus or deficit	Net unremitted profits(2)	Net identified trade and other credit(3)	Investment in UK company securities(4)	Investment abroad	Balancing item	Banks(6)	Other	Liquid	Other	Net borrowing requirement (NBR)
		AABG	AIBP	FMBP	FMBQ	AICP	FMBR	FMBS	AICT	AICU	AICV	AICW
1981		2 658	-280	777	-1 242	-3 856	-2 318	5 847	4 129	-4 696	-1 057†	4 223†
1982		3 808	-502	-1 092	-1 677	-2 705†	-3 707	6 568	3 463†	-2 799	-1 463	5 769
1983		6 989	-881	559	-1 381	-3 383	-1 099	1 552	5 066	-5 858†	-1 777	-1 017
1984		10 351	-57	-296	-3 878	-5 090	-10 089	7 967	2 325	-2 090	-255	7 947
		AAVG	AICX	ABKP		AIDC	AIDD	AIDF	AIDJ	AIDG		AIDI
1981	2	738	-211	2 824†	-243	-892†	-341†	-1 023	1 784†	-1 747	-899†	-1 875†
	3	1 004	-36	479	-282	-884	-1 177	1 852	1 120	-1 877	-219	876
	4	168	128	-1 540	-392	-1 046	-2 797	4 050	990	428	11	5 479
1982	1	-640	-173	577	-389	-773	-1 897	3 265	1 384	-1 512	178	3 295
	2	132	76	-1 216	-439	-472	-245	1 222	837	132	-27	2 164
	3	1 569	94	27	-474	-738	-1 116	1 993	400	-1 152	-802	639
	4	2 747	-499	-470	-375	-721	-29	365	882	-858	-1 012	-853
1983	1	1 875	67	1 088	-228	-1 380	-538	-968	888	-837	-247	-864
	2	1 328	234	-534	-525	-197	-993	422	1 233	-539	-329	787
	3	2 459	-115	-341	-323	-842	-2 068	1 348	1 469	-1 364†	-221	1 230
	4	1 327	-1 047	508	-305	-944	2 814	452	1 476	-3 101	-980	-2 153
1984	1	2 717	732	401	-1 330	-1 107	-3 331	2 367	31	-883	403	1 918
	2	2 121	373	-515	-813	-1 883	-353	995	-1 840	1 937	8	1 070
	3	3 312	300	-194	-475	-772	-2 897	1 210	1 098	-1 298	-483	526
	4	2 201	-1 462	-114	-1 260	-1 328	-2 884	3 425	3 036	-1 451	-183	4 827
1985	1	4 033	338	-39	-1 229	-2 075		4 477	2 554	-2 270		

1 Inflows(+), outflows(-); Relationships between columns: 1+2+3+4+5+6+7+8+9+10 = zero; 7+8+9+10 = 11
2 Retained in UK (+), retained abroad (-).
3 Includes accruals adjustment.
4 Cash expenditure on subsidiaries and trade investments in the United Kingdom.
5 The NBR seasonal adjustments include day-of-week adjustments. The quarterly figures therefore do not always sum to the annual totals.
6 Includes Bank of England Issue Department transactions in commercial bills.

Industrial and commercial companies capital account and financial surplus/deficit



Industrial and commercial companies net borrowing requirement



UK banks' lending to UK residents

	£ million, seasonally adjusted(1)					
	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies	Total	Sterling	Other currencies
Transactions	FPAG	AEBQ	FPAC	FPAJ	AECF	AECL
1980	1 652	2 374	-722	10 900	9 622	1 278
1981	-271†	252	-790	11 371†	8 846	2 792
1982	-2 230	-2 273	-52	14 580	12 842	1 741
1983	-1 901	-2 039	115	15 039	13 628	1 411
1984	798	892	291	18 257	13 522	4 735
	FPAA	AEBT	AECC	FPAD	AEC1	AECO
1979 4	472	603	-131	2 320	2 138	182
1980 1	-367	-185	-182	2 830	2 418	412
2	871	849	22	3 494	2 662	832
3	3	407	-404	3 250	3 068	182
4	1 145	1 303	-158	1 326	1 474	-148
1981 1	1 218	1 133	85	267	-323	590
2	-613	148	-761	3 539	3 605	-66
3	311	529	-218	3 809	2 556	1 253
4	-1 187	-1 291	104	3 756	2 741	1 015
1982 1	863	851	12	2 386	1 820	566
2	-1 039	-1 035	-4	4 806	4 471	335
3	-49	-60	11	3 281	2 985	296
4	-2 005	-1 934	-71	4 377	3 833	544
1983 1	784	784	-	3 361	3 665	-304
2	-1 923	-1 903	-20	5 076	4 568	508
3	-721	-671	-50	3 294	2 014	1 280
4	-41	-226	185	3 308	3 381	-73
1984 1	880	916	-36	3 122	2 095	1 027
2	-2 195	-2 238	43	6 232	5 416	816
3	1 589	1 474	115	2 614	1 564	1 050
4	524	355	169	6 289	4 447	1 842
1985 1	-3 668	-3 763	95	13 054	9 818	3 236

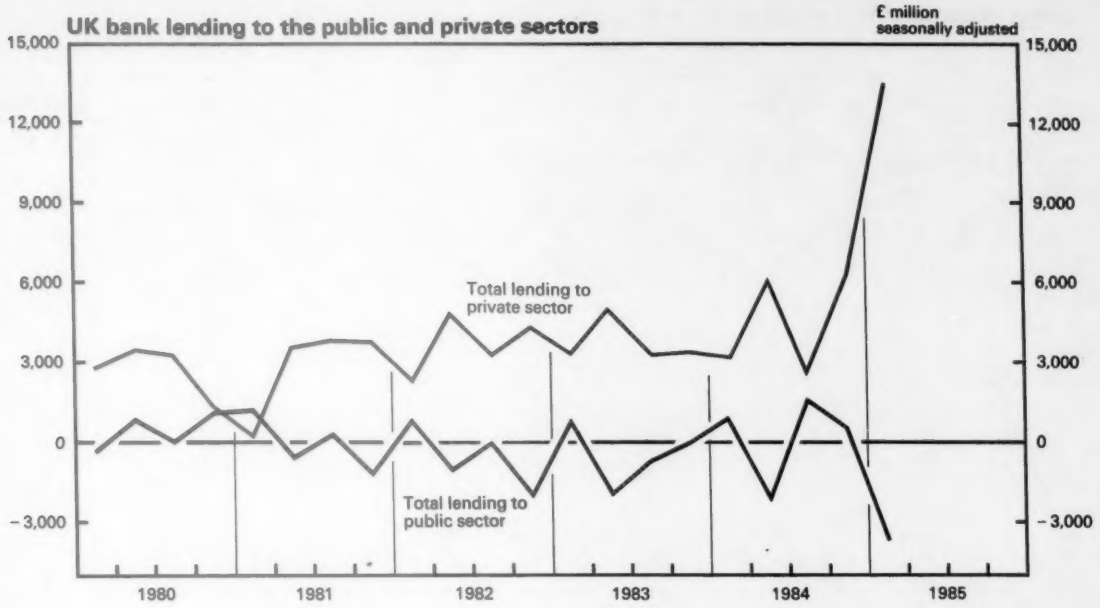
1 The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.

UK banks' loans, advances and acceptances to UK residents (1,2)

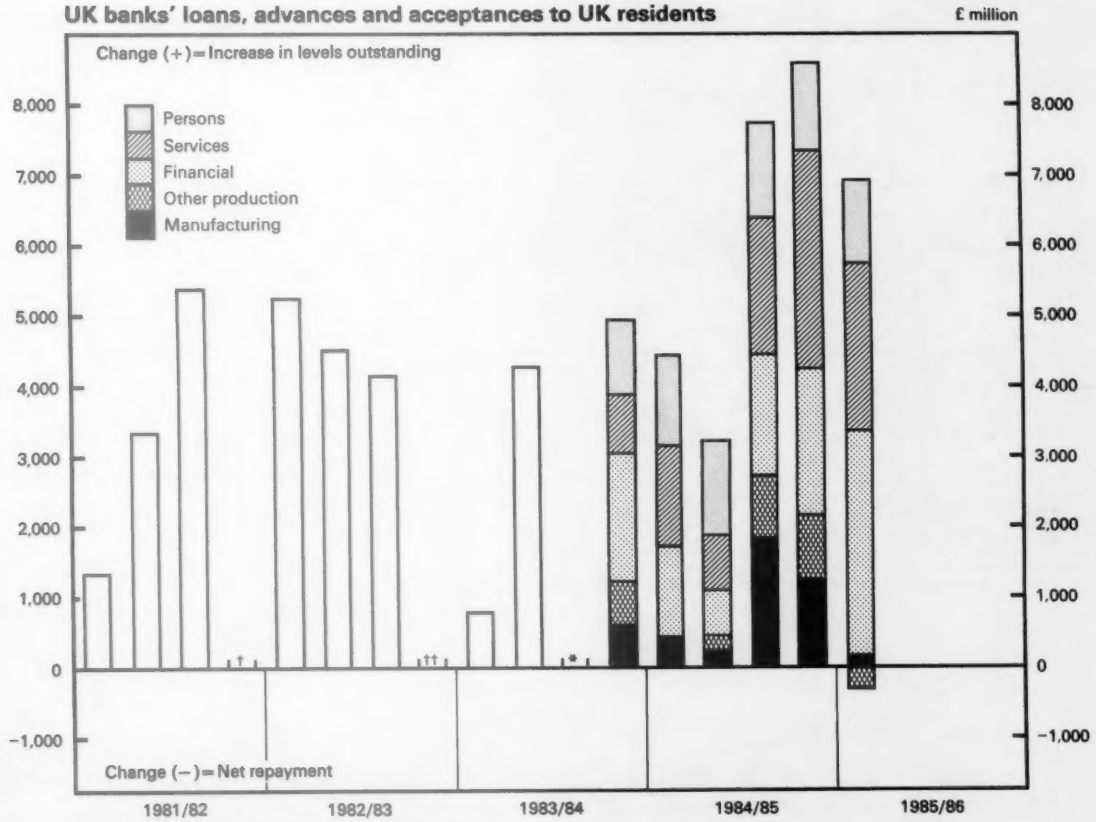
	£ million					
	Total loans, advances and acceptances	Manufacturing	Other production	Financial	Services	Persons
Amounts outstanding (May 1985):	162 188	27 511	16 826	34 087	47 261	36 473
Changes	FRAA	FRAB	FRAC	FRAD	FRAE	FRAF
1983						
Aug-Nov	..	..	..	..	..	..
Nov-Feb	4 931	599	603†	1 814†	844†	1 071
1984						
Feb-May	4 428†	391†	6†	1 319†	1 412†	1 301†
May-Aug	3 201	201	237	656	785	1 322
Aug-Nov	7 723	1 800	904	1 723	1 949	1 344
Nov-Feb	8 553	1 203	940	2 101	3 073	1 237
1985						
Feb-May	6 581†	151†	-330†	3 209†	2 358†	1 193†

1 For a more detailed breakdown of these figures see Financial Statistics Table 6.6. The analysis covers loans, advances and acceptances in both sterling and foreign currencies provided by banks to their customers and therefore does not include funds placed through the local authority money market or funds lent to monetary sector institutions. Acceptances are not granted to persons.
2 Due to the introduction of the revised analysis in November 1983, a breakdown is given only for this and later dates and any changes for the August-November 1983 period are not shown.

UK bank lending to the public and private sectors



UK banks' loans, advances and acceptances to UK residents



†Due to implementation of the monetary sector, changes for the November 1981 – February 1982 period cannot be calculated.

*See footnote [2] page 64 lower table.

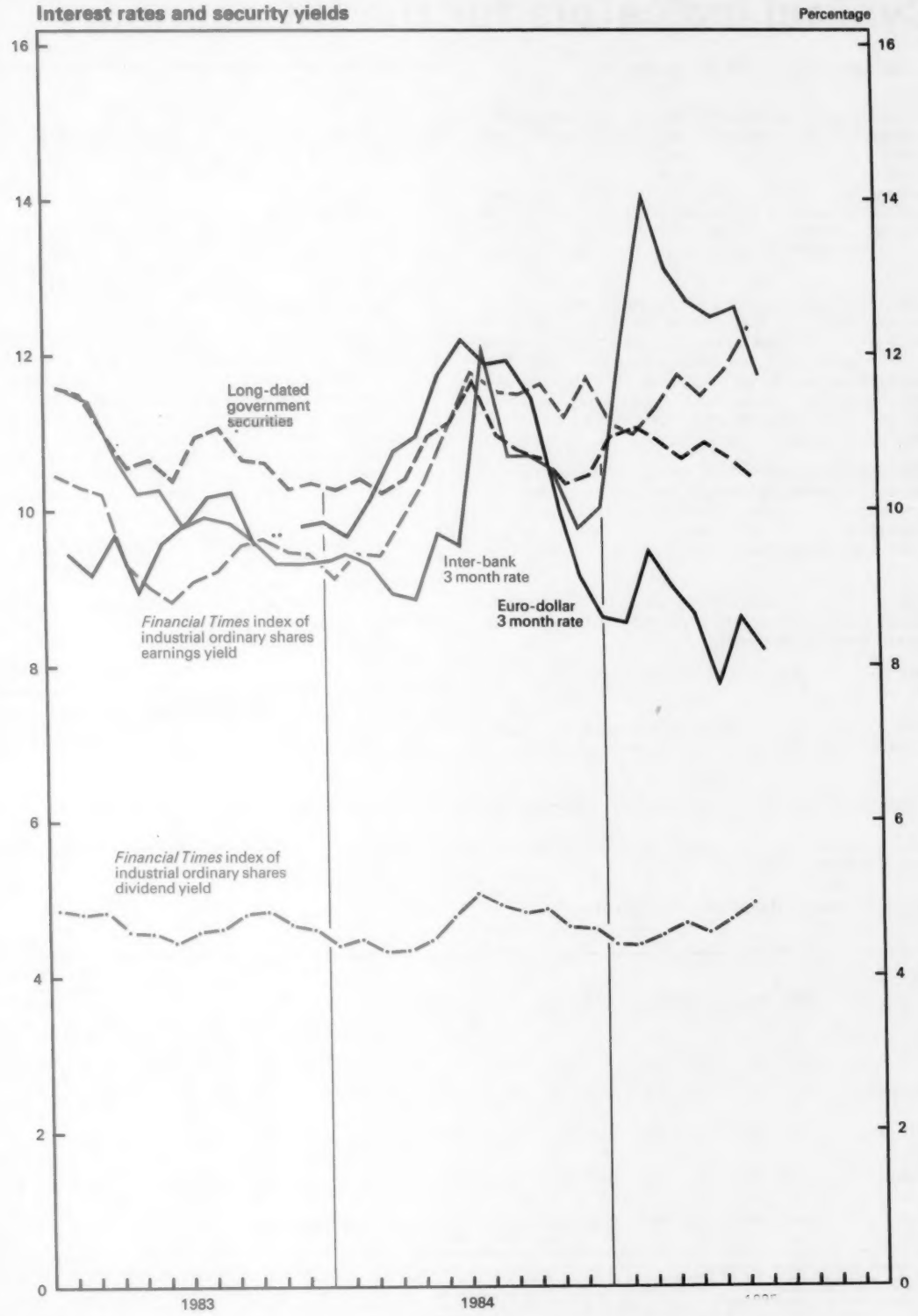
††Changes cannot be calculated for this period due to definition changes.

Interest rates, security prices and yields

Percentage rate

	Last Friday						Last working day		Average of working days		
			London clearing banks							Financial Times index of industrial ordinary shares	
										1 July 1935 = 100	
	Treasury bill yield(1)	Deposits with local authorities - 3 months (2)	Base rate	Deposit account: 7 days' notice(3)	Inter-bank - 3 month rate(4)	Sterling certificates of deposit - 3 months	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares(5)	British government securities: long dated(6) - 20 years	Price index	Dividend yield	Earnings yield
1977	6.39	6.75	6.75- 7.5	3.5 - 4.5	6.56- 6.75	6.38- 6.44	7.19	6.00	12.73	452.3	5.42	16.50
1978	11.91	12.38-12.5	12.5	10	12.44-12.63	12.38-12.5	11.69	8.00	12.47	479.4	5.65	16.47
1979	16.49	16.94-17.5	17	15	16.81-17.06	16.69-16.88	14.5	10.50	12.99	475.5	6.40	16.61
1980	13.58	14.63-14.88	14	11.5 -12	14.75-14.88	14.75-14.88	17.75	10.50	13.79	464.5	7.52	18.14
1981	15.39	15.5 -15.69	14.5	12.25-12.5	15.56-15.75	15.63-15.75	13.75	9.75	14.74	518.5	6.23	12.12
1982	9.96	10.63	10 -10.25	6.75- 7	10.44-10.63	10.19-10.31	9.25	6.25	12.88	574.7	5.29	10.82
1983	9.04	9.31	9	5.5	9.34- 9.41	9.25- 9.31	9.88	7.25	10.80	692.6	4.70	9.58
1984	9.33	10.13	9.5 - 9.75	6 - 6.5	10 -10.13	9.75- 9.88	8.62	6.75	10.69	854.9	4.66	10.76
1982 J	13.98	14.5	14	11.5 -12	14.44-14.63	14.19-14.31	14.63	9.75	15.58	543.4	5.57	9.83
F	13.74	13.94-14	13.5	11	14 -14.13	13.88-14	15	9.75	14.74	565.6	5.43	9.62
M	12.92	13.63-13.69	13	10 -10.25	13.56-13.69	13.56-13.63	15.47	9.75	13.72	580.4	5.63	10.57
A	13.41	13.63-13.75	13	10 -10.25	13.63-13.88	13.63-13.69	14.88	9.75	13.96	563.6	5.57	11.22
M	13.08	13.31-13.38	13	10 -10.25	13.31-13.5	13.38-13.63	14.44	9.75	13.69	578.8	5.41	11.25
J	12.66	13.13	12.5	9.5	13.06-13.19	13 -13.06	15.66	9.75	13.56	570.0	5.49	11.45
J	11.40	11.88	12	9	11.81-12	11.69-11.75	13	8.75	13.20	559.7	5.47	11.51
A	10.17	10.75	11	8	10.69-10.88	10.56-10.69	11.56	8.75	12.23	561.1	5.28	11.58
S	10.12	10.88	10.5	7.25- 7.5	10.81-10.94	10.63-10.75	11.5	7.75	11.40	580.6	5.02	11.02
O	9.03	10.63	9.5	6	9.56- 9.69	9.38- 9.5	10.41	7.75	10.50	602.0	4.76	10.54
N	10.26	9.88	9	5.5	9.69-10.5	9.63- 9.75	9.88	7.75	10.64	616.7	4.87	10.44
D	9.96	10.63	10 -10.25	6.75- 7	10.44-10.63	10.19-10.31	9.25	6.25	11.34	592.8	5.03	10.81
1983 J	11.24	11.5	11	8	11.5 -11.63	11.38-11.5	9.44	6.25	11.60	606.4	4.88	10.50
F	11.16	11.44	11	8	11.31-11.5	11.19-11.31	9.19	6.25	11.50	646.5	4.82	10.34
M	10.23	10.75	10.5	7.5	10.69-10.88	10.63-10.75	9.69	6.25	11.02	659.5	4.87	10.25
A	9.92	10.19	10	6.75	10.19-10.31	10 -10.13	8.94	6.25	10.56	685.6	4.80	9.36
M	9.93	10.25	10	6.75	10.25-10.34	10.13-10.25	9.56	6.25	10.65	690.2	4.58	9.04
J	9.51	9.69	9.5	6	9.75- 9.88	9.63- 9.75	9.81	6.25	10.35	716.6	4.47	8.88
J	9.62	9.88	9.5	6	9.88-10	9.81- 9.88	10.19	7.25	10.95	697.9	4.60	9.12
A	9.56	9.94	9.5	6	9.81- 9.94	9.69- 9.81	10.25	7.25	11.07	724.4	4.62	9.27
S	9.17	9.69	9.5	6	9.56- 9.69	9.44- 9.56	9.56	7.25	10.87	704.3	4.81	9.59
O	9.03	9.31	9	5.5	9.31- 9.38	9.81- 9.25	-	7.25	10.61	693.5	4.87	9.67
N	9.06	9.25	9	5.5	9.31- 9.34	9.19- 9.25	9.81	7.25	10.29	724.6	4.69	9.50
D	9.04	9.31	9	5.5	9.34- 9.41	9.25- 9.31	9.88	7.25	10.35	759.5	4.62	9.47
1984 J	9.06	9.38	9	5.5	9.44- 9.5	9.31- 9.38	9.69	7.25	10.28	810.6	4.41	8.16
F	9.05	9.31	9	5.5	9.31- 9.38	9.28- 9.34	10.13	7.25	10.42	814.6	4.50	8.48
M	8.56	8.94	8.5 - 8.75	5.25- 5.5	8.94- 9	8.84- 8.91	10.75	6.25	10.23	866.4	4.34	8.43
A	8.54	8.88	8.5 - 8.75	5.25- 5.5	8.84- 8.91	8.81- 8.88	10.97	6.25	10.40	881.1	4.36	8.93
M	9.19	9.75	9 - 9.25	5.75- 6	9.69- 9.75	9.69- 9.81	11.72	6.25	10.93	870.6	4.49	10.44
J	9.06	9.5	9.25	5.75- 6	9.5 - 9.63	9.31- 9.44	12.19	6.25	11.15	824.5	4.79	11.13
J	11.69	12.13	12	8.75- 9	12.06-12.19	11.88-12	11.88	6.25	11.67	787.6	5.08	11.80
A	10.18	10.75	10.5	7.25- 7.5	10.69-10.75	10.5 -10.63	11.94	7.75	10.98	835.8	4.93	11.57
S	10.24	10.75	10.5	7.25- 7.5	10.63-10.81	10.47-10.53	11.44	7.75	10.78	859.3	4.84	11.51
O	10.13	10.5	10.5	7.25- 7.5	10.5 -10.56	10.25-10.38	10.19	7.75	10.69	865.2	4.89	11.66
N	9.26	9.75	9.5 - 9.75	6 - 6.5	9.75- 9.81	9.56- 9.69	9.19	7.75	10.32	913.2	4.67	11.23
D	9.33	10.13	9.5 - 9.75	6 - 6.5	10 -10.13	9.75- 9.88	8.62	6.75	10.46	929.6	4.62	11.73
1985 J	11.86	12.25	12	8.5 - 9	12.25-12.38	12.06-12.19	8.56	6.75	10.96	977.1	4.42	11.15
F	13.91	14.13	14	11 -11.5	14.06-14.19	13.81-13.84	9.5	7.50	11.07	979.3	4.41	11.01
M	12.75	13.13	13 -13.5	10 -10.5	13.06-13.25	13 -13.13	9.06	7.50	10.90	987.1	4.55	11.32
A	12.27	12.63	12.5 -12.75	9.38- 9.7	12.63-12.81	12.44-12.56	8.62	8.25	10.68	969.0	4.70	11.79
M	12.16	12.50	12.5 -12.75	9.38- 9.7	12.5 -12.56	12.31-12.44	7.75	8.25	10.88	1003.8	4.58	11.52
J	12.33	12.56	12.5	9.03- 9.5	12.56-12.69	12.44-12.56	7.75	8.25	10.70	980.4	4.72	11.83
J	11.30	11.88	12	8.38-8.75	11.56-11.94	11.69-11.81	8.19	8 .25	10.44	935.24	4.96	12.38

1 Average discount rate expressed as the rate at which interest is earned during the life of the bills.
2 For a minimum term of 3 months and thereafter at 7 days' notice.
3 Rate paid on deposits of less than £10 000, which was restricted to 9.5% from September 1973 to 28 February 1975.
4 Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 am.
5 Net of income tax where this is paid by societies at the agreed composite rate.
6 Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields - see Financial Statistics Explanatory handbook.


Interest rates and security yields
Percentage
16
14
12
10
8
6
4
2
0
Long-dated government securities
Inter-bank 3 month rate
Euro-dollar 3 month rate
Financial Times index of industrial ordinary shares earnings yield
Financial Times index of industrial ordinary shares dividend yield
1983
1984

Cyclical indicators for the UK economy

Recent movements of the indicators

The inclusion of more recent and revised information into each of the indicators this month has left the direction of movements for the latest period broadly unaltered. The pattern of cyclical developments in the UK economy remains unclear. This is partly due to the volatility in some of the component series. Interpretation is also hampered by the effects of industrial disputes over the past year or so, especially the coal strike.

The longer leading index is now more clearly below the level evident at the turn of the year. The main downward effects have come from share prices and – at the beginning of the year – interest rates. The movement in the longer leader in 1985 follows the sharp decline and subsequent recovery which occurred last year. The series presents no clear signal about future developments.

The downward path of the shorter leader continues. The series remains below the peak of early 1984. In recent months this movement largely reflects downward effects from several components, the main exception being new car registrations which were particularly high in June.

The coincident indicator continues to rise though much of the increase in 1985 may be attributable to a recovery from the coal strike.

The lagging index broadly continues to rise in the latest period.

It is not possible at present to offer any firm view on when the next turning point in the economic activity will occur. The occurrence of a peak would not necessarily imply a subsequent fall in the level of activity, but rather a reduction in the underlying rate of growth.

Definitions

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude, and inversion where appropriate.

Information included in the table below is based on monthly and quarterly data available to 20 August.

Precise details on data availability for each of the component series used in the compilation of the indicators is shown in a table on page 80.

Recent movements of the indicators

Jan 1980 = 100

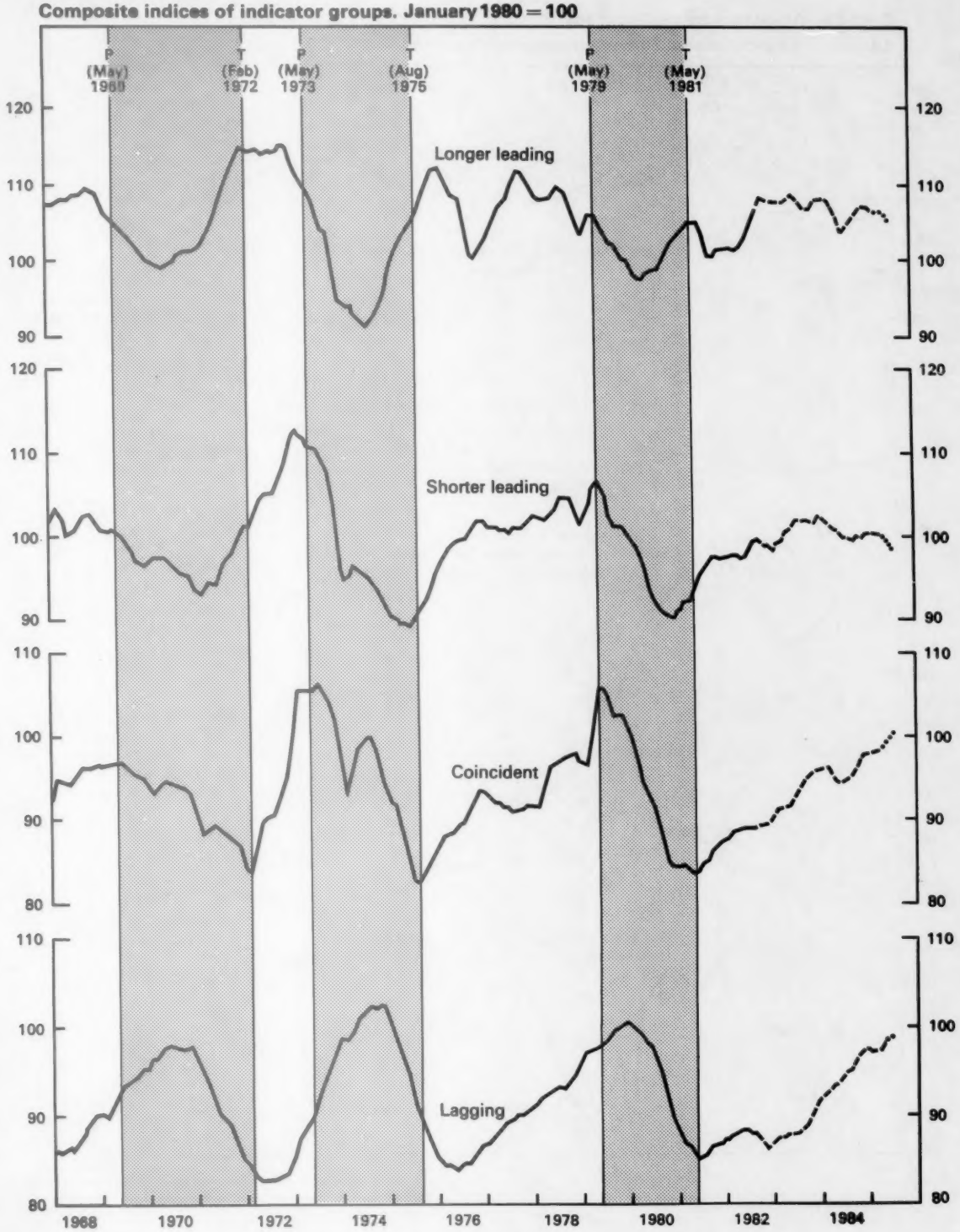
	Most recent values January 1980 = 100													Lead (−) or lag (+) in months relative to reference cycle dates		
	1984							1985								
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Mean	Earliest	Latest
Longer leading	103.9	104.2	105.0	105.8	106.5	107.2	107.3	106.9	106.3	106.4	106.6	106.2	105.5	−12	−21	−5
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*4*	*4*	*3*			
Shorter leading	99.6	99.6	99.4	99.8	99.7	99.9	100.2	100.3	100.2	99.9	99.4	99.1	98.2	− 5	−12	−
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*4*	*4*	*2*			
Coincident	94.8	95.1	95.7	96.5	97.3	97.6	97.9	98.0	98.0	98.5	99.2	99.7	100.4	−	− 7	+ 5
	7	*7*	*7*	*7*	*7*	*7*	*7*	*7*	*7*	*5*	*5*	*5*	*3*			
Lagging	94.8	95.0	95.9	96.8	97.3	97.4	97.2	97.3	97.4	97.6	98.4	98.6		+10	+ 1	+17
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*4*				

[1] A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further ten pages showing individual indicator series.

[2] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO.01-233 7661.

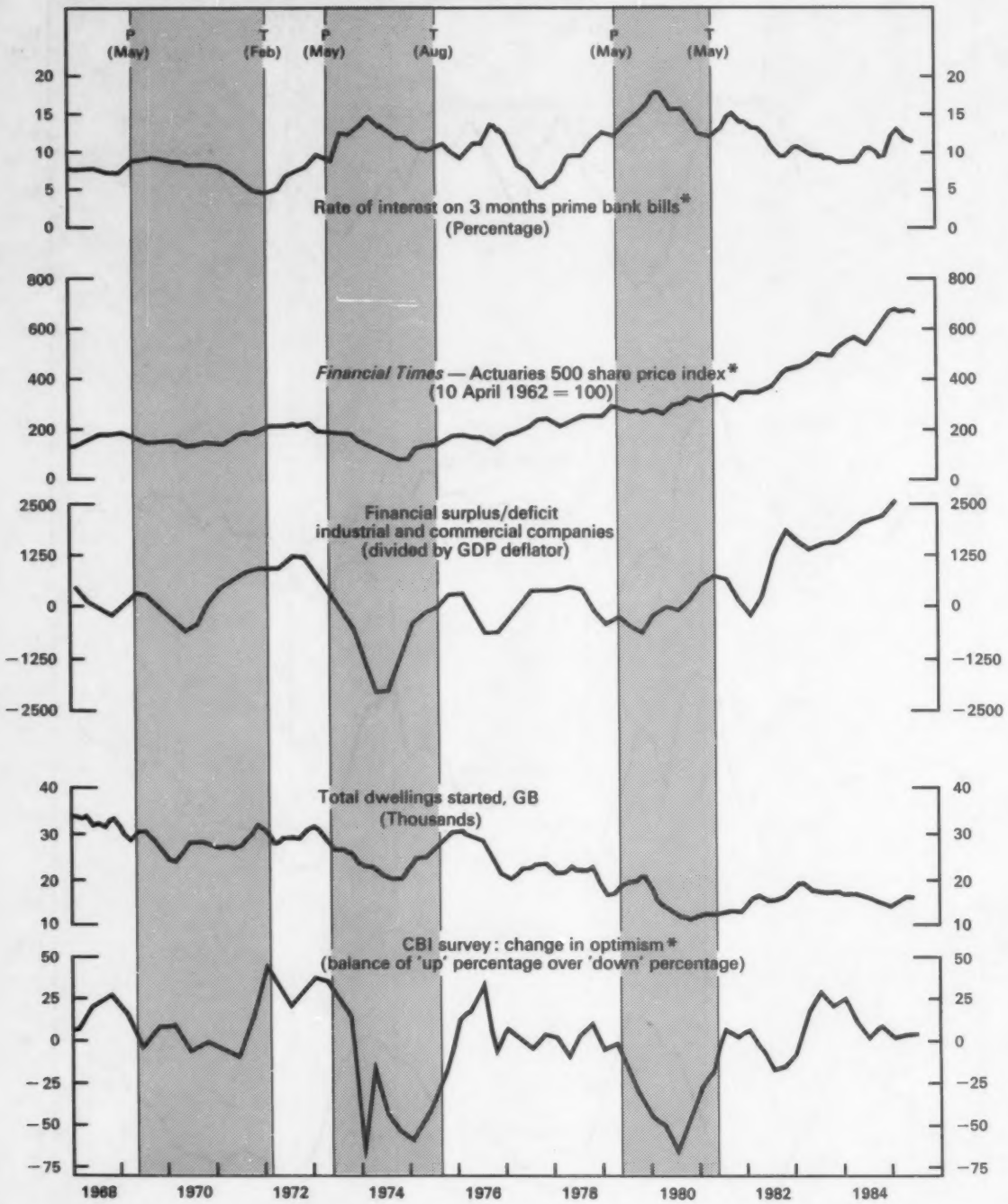
Cyclical indicators

Composite indices of indicator groups. January 1980 = 100



Cyclical indicators by timing classification

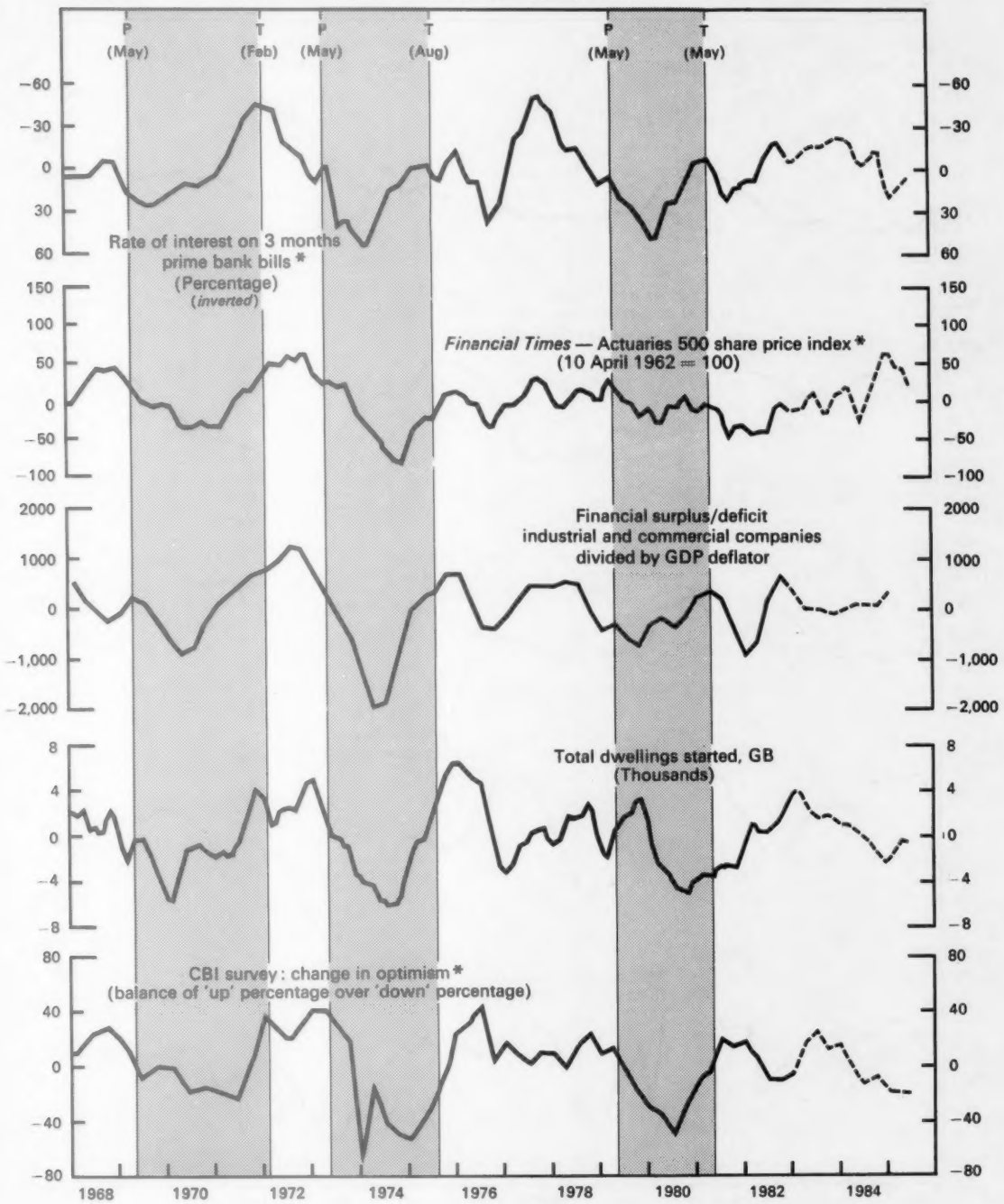
Longer leading indicators. Smoothed seasonally adjusted series



*Seasonally adjusted by CSO

Cyclical indicators by timing classification

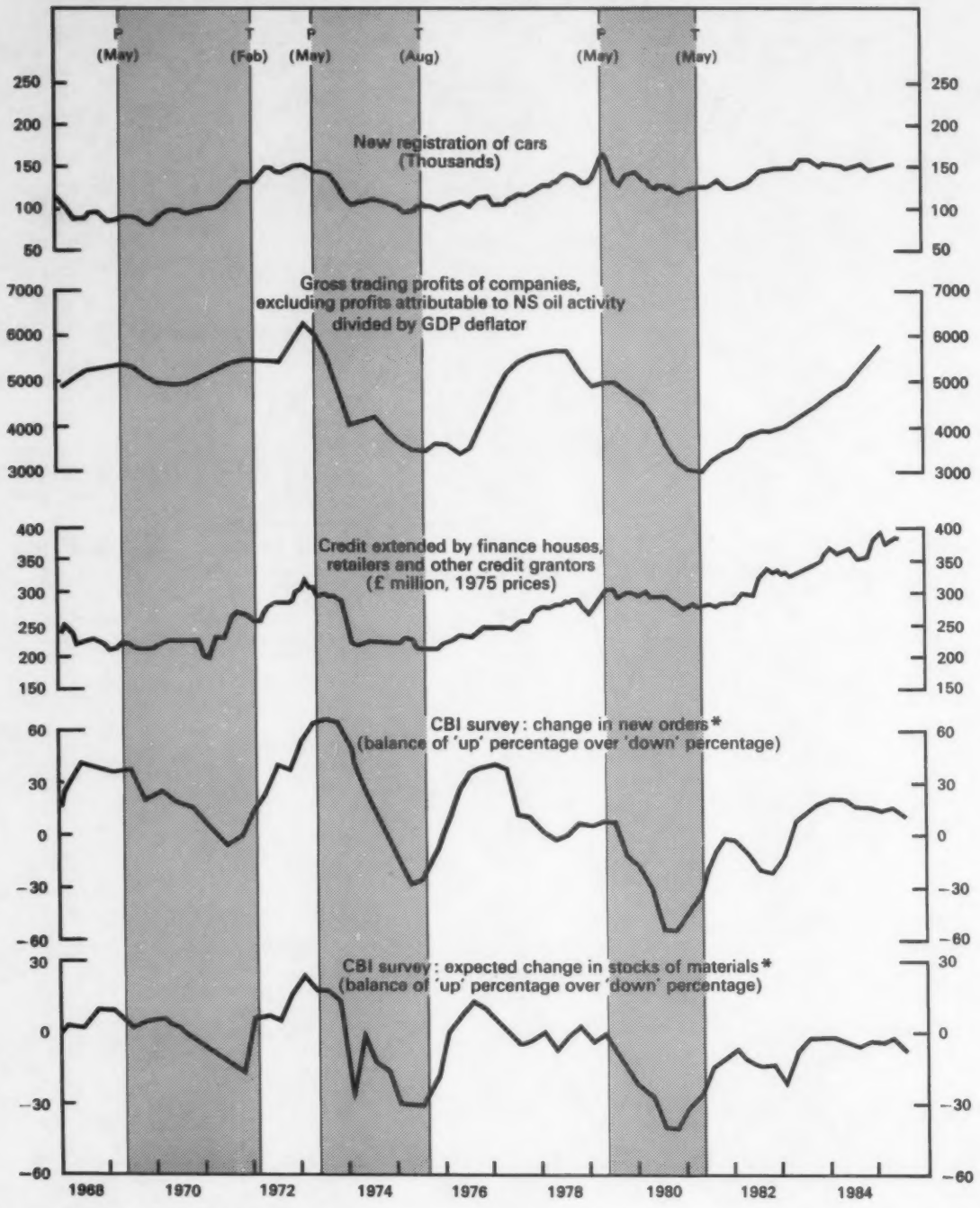
Longer leading indicators. Smoothed trend-eliminated series



* Seasonally adjusted by CSO

Cyclical indicators by timing classification

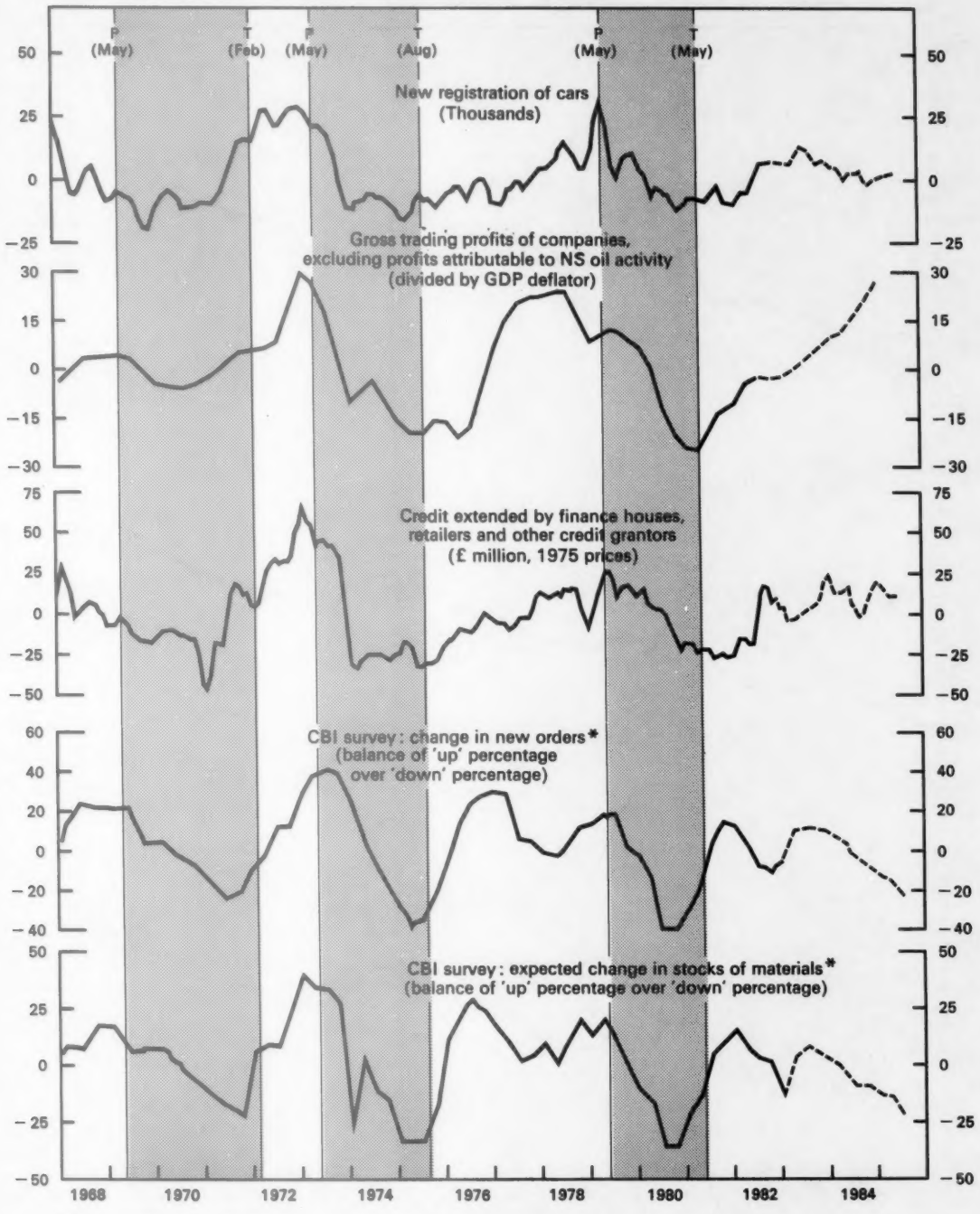
Shorter leading indicators. Smoothed seasonally adjusted series



* Seasonally adjusted by CSO

Cyclical indicators by timing classification

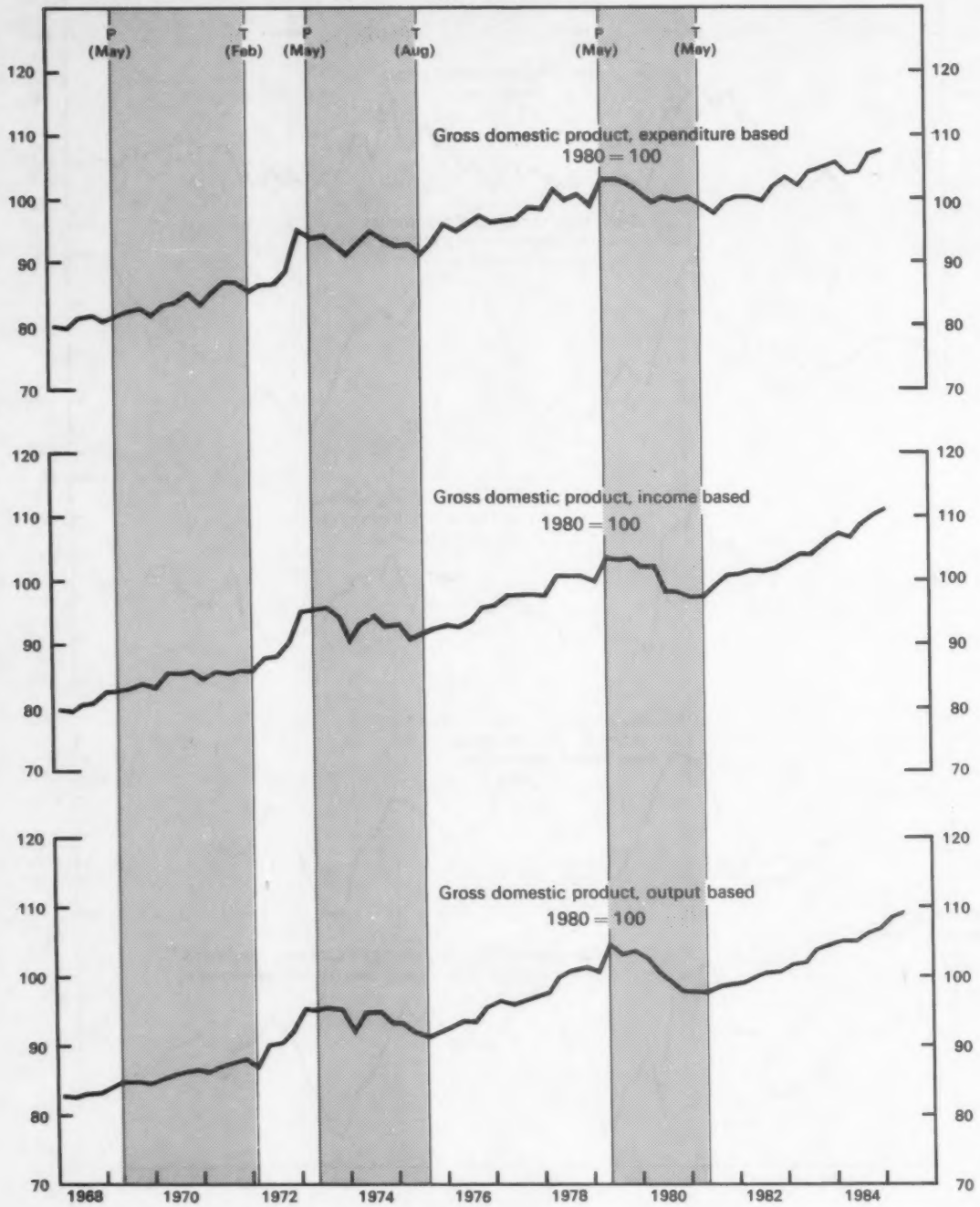
Shorter leading indicators. Smoothed trend-eliminated series



*Seasonally adjusted by CSO

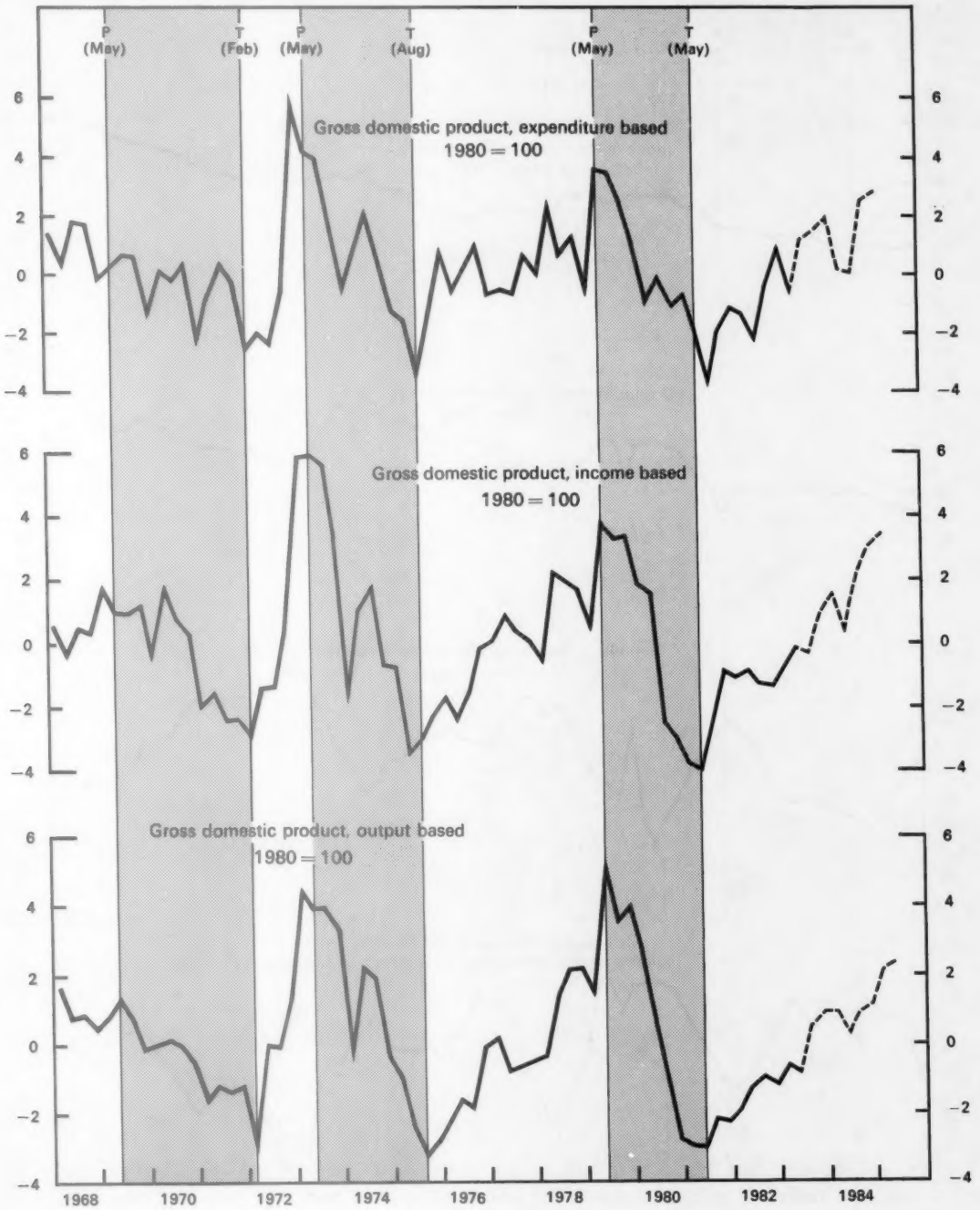
Cyclical indicators by timing classification

Coincident indicators. Smoothed seasonally adjusted series



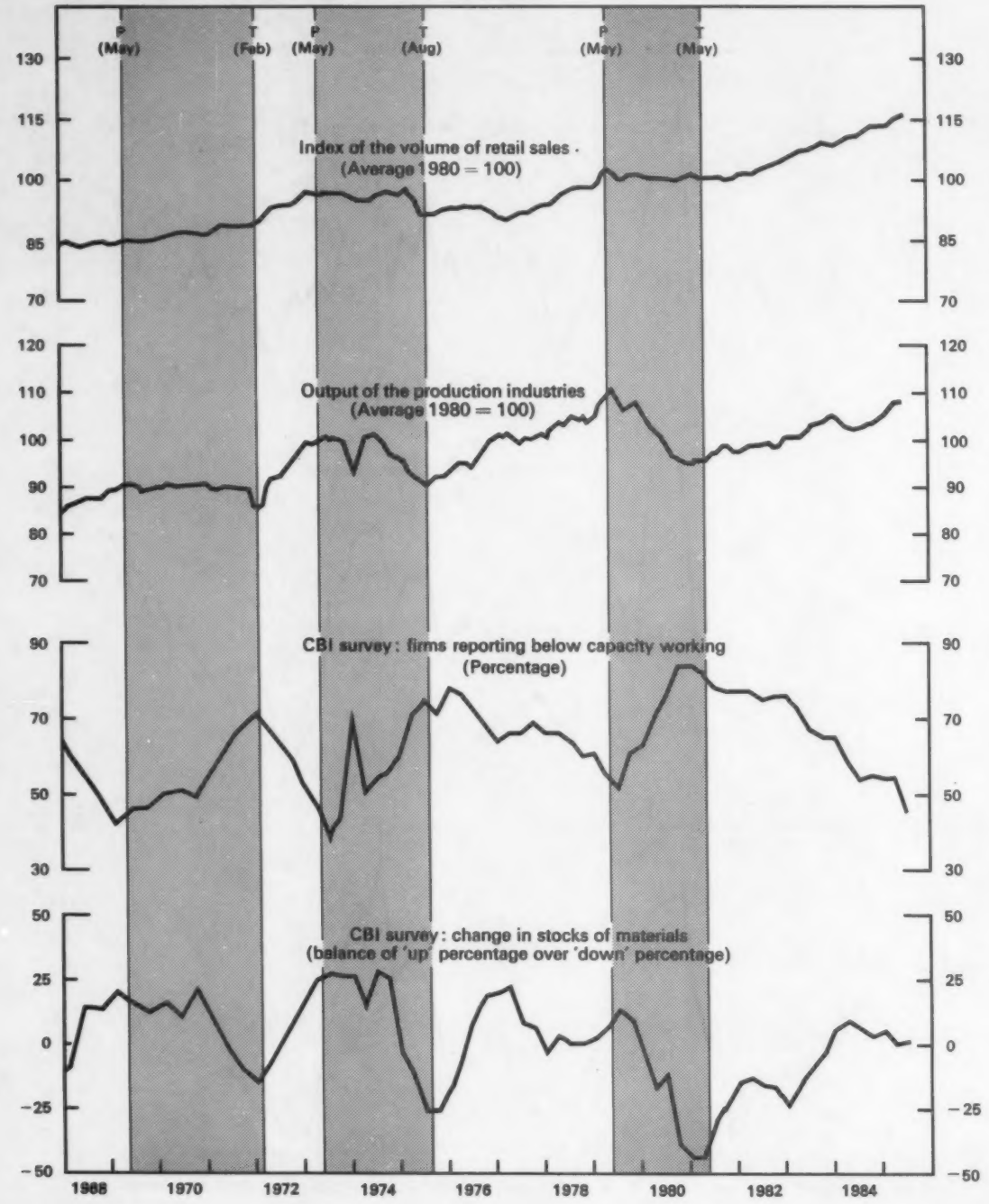
Cyclical indicators by timing classification

Coincident indicators. Smoothed trend-eliminated series



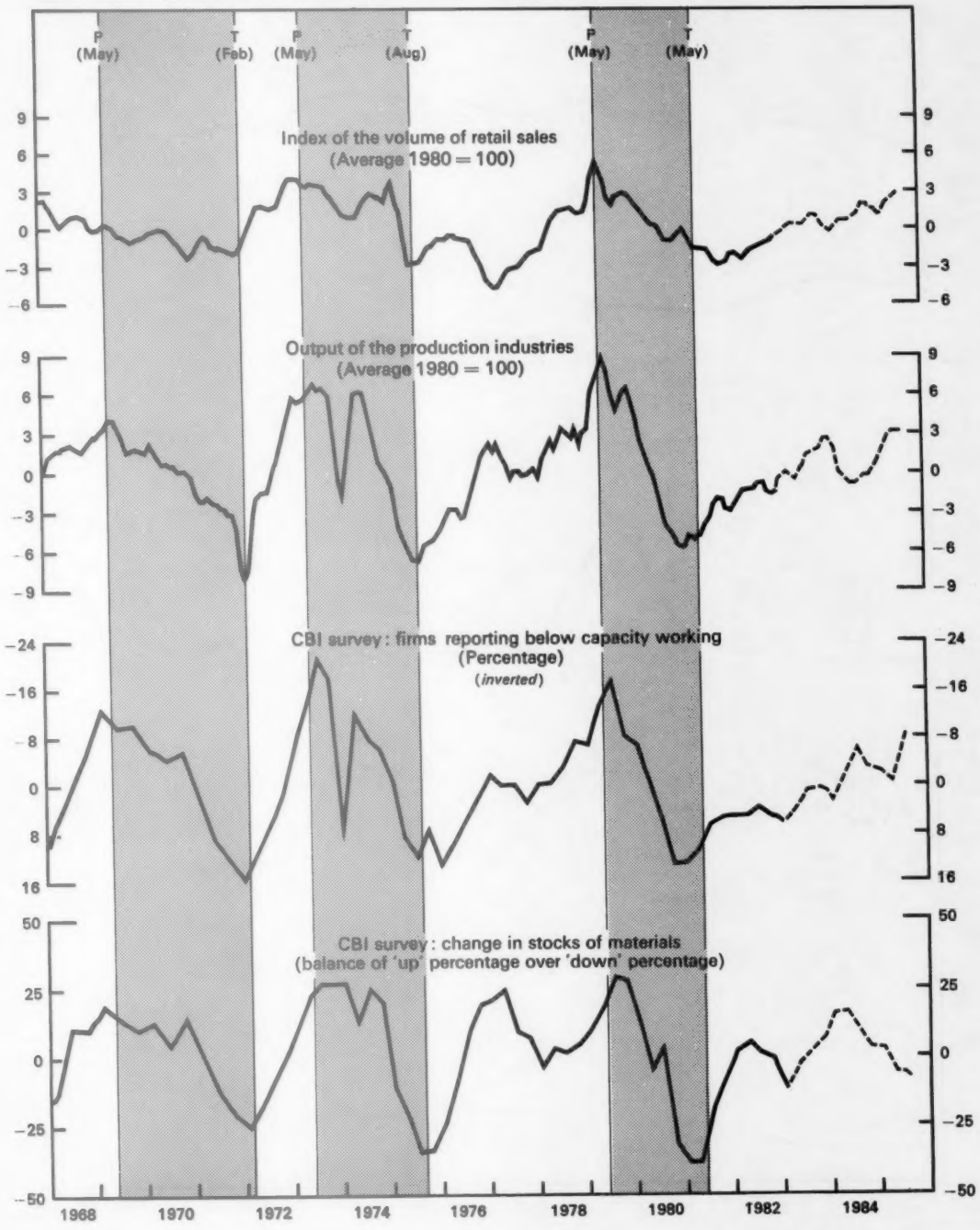
Cyclical indicators by timing classification

Coincident indicators. Smoothed seasonally adjusted series



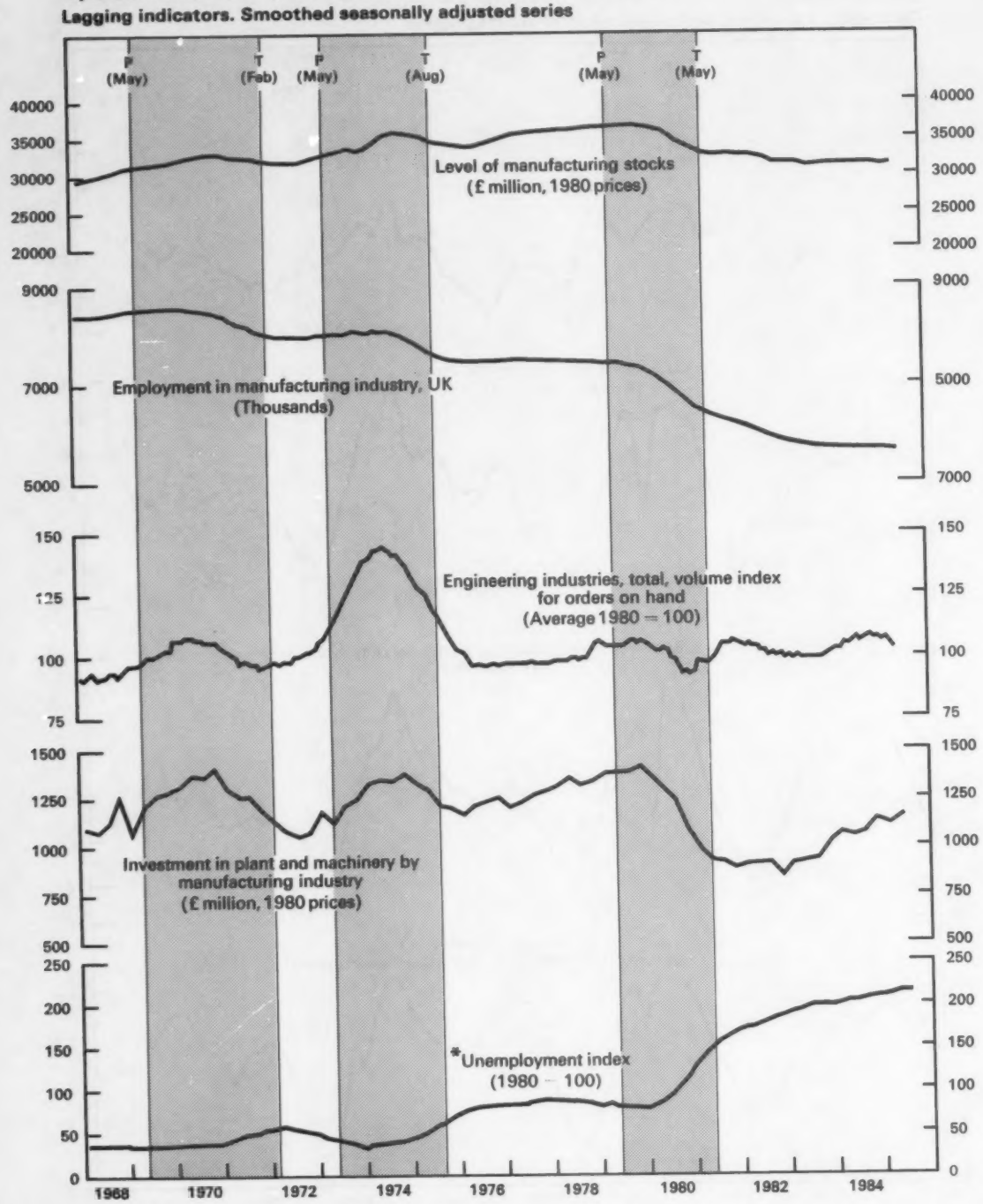
Cyclical indicators by timing classification

Coincident indicators. Smoothed trend-eliminated series



Cyclical indicators by timing classification

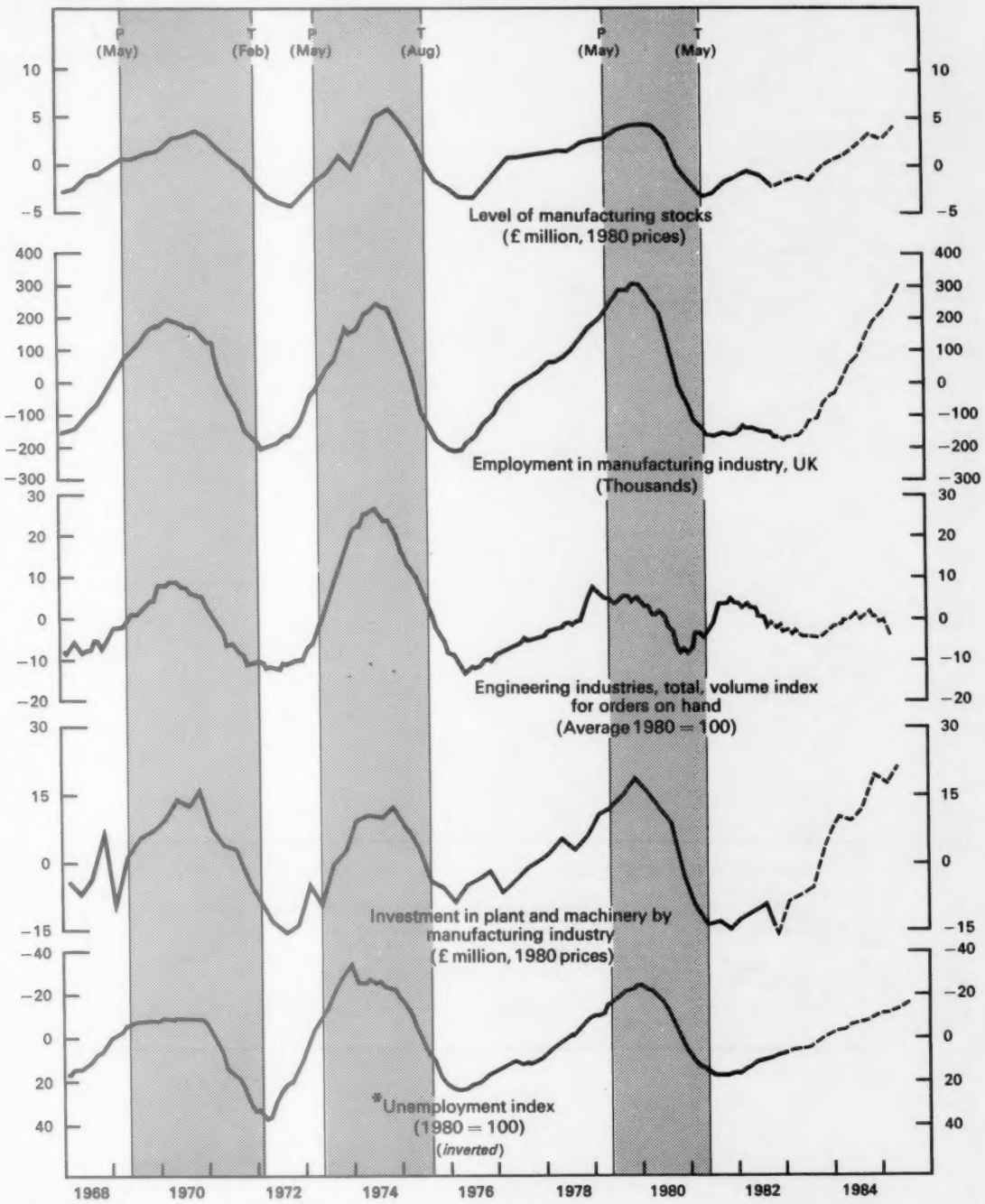
Lagging indicators. Smoothed seasonally adjusted series



*Adjusted for changes in the coverage of the count

Cyclical indicators by timing classification

Lagging indicators. Smoothed trend-eliminated series



*Adjusted for changes in the coverage of the count

The indicators: Their timing characteristics and data availability

Indicators	Latest data included	Timing relative to reference cycle dates (1) (-) leads, (+) lags months: Average (mean)	Earliest	Latest
Longer leading				
Composite longer leading index	Jul 1985	-12	-21	- 5
Component series:				
Rate of interest, 3 months prime bank bills (2)	Jul 1985	-17	-28	-11
Financial surplus/deficit, industrial and commercial companies, divided by GDP deflator	1985 Q1	-15	-21	- 9
Total dwellings started, Great Britain	May 1985	-10	-25	+ 6
Financial Times - Actuaries 500 share index (2,3)	Jul 1985	- 9	-20	- 4
CBI quarterly survey: change in optimism (2)	Jul 1985	-10	-19	- 4
Shorter leading				
Composite shorter leading index	Jul 1985	- 5	-12	0
Component series:				
Credit extended by finance houses, retailers and other credit grantors	J un 1985	- 6	-15	+ 3
New car registrations	Jun 1985	- 7	-26	0
CBI quarterly survey: change in new orders (2)	Jul 1985	- 8	-28	+ 2
CBI quarterly survey: expected change in stocks of materials (2)	Jul 1985	- 5	-15	- 2
Gross trading profits of companies, excluding stock appreciation and mineral oil and natural gas extraction, divided by GDP deflator	1985 Q1	- 6	-18	0
Roughly coincident				
Composite coincident index	Jul 1985	0	- 7	+ 5
Component series:				
Gross domestic product (expenditure)	1985 Q1	+ 1	- 9	+10
Gross domestic product (output)	1985 Q2	- 2	- 7	+ 1
Gross domestic product (income)	1985 Q1	+ 1	- 3	+ 5
Volume of retail sales	Jul 1985	- 3	-15	+ 6
Output of the production industries	Jun 1985	- 1	- 4	+ 2
CBI quarterly survey: capacity utilisation	Jul 1985	+ 2	- 3	+ 7
CBI quarterly survey: change in stocks and materials	Jul 1985	- 1	- 6	+ 8
Lagging				
Composite lagging index	Jun 1985	+10	+ 1	+17
Component series:				
Unemployment index (3)	Jul 1985	+ 6	- 1	+14
Total employment in manufacturing industries United Kingdom	Jun 1985	+ 8	- 1	+15
Investment in plant and machinery, manufacturing industry	1985 Q2	+11	+ 6	+18
Engineering industries, volume index for orders on hand	Apr 1985	+ 7	- 4	+15
Level of stocks and work in progress, manufacturing industry	1985 Q2	+11	0	+20

1 Assessed on performance up to last identified trough, May 1981.
2 Seasonally adjusted by CSO.
3 Adjusted for changes in coverage.

HOW TO FIND THE FIGURES

Earnings, betting and gaming, travel, population projections and estimates, retailing trade, education in schools, universities - do you know where to get the essential facts and figures?

Government Statistics - a brief guide to sources is a free booklet listing the most important, regular publications containing official statistics. It also gives departmental contact points for statistical information including addresses and telephone numbers of the general enquiry points at the Central Statistical Office, the Statistics and Market Intelligence Library and the Business Statistics Office.

The 1985 Edition is available free from: Information Services Division, Room 58/G, Government Offices, Great George Street, London, SW1P 3AQ.

Measures of variability of selected economic series (1)

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1980 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1970 to 2nd quarter 1984	1.4	1.0	0.9	1.1	2	0.4
Income based	6	1st quarter 1970 to 2nd quarter 1984	1.2	0.8	0.9	0.9	1	0.9
Output based	6,28	1st quarter 1970 to 2nd quarter 1984	1.0	0.6	0.8	0.8	1	0.8
Average estimate	6	1st quarter 1970 to 2nd quarter 1984	1.0	0.7	0.8	0.8	1	0.8
Consumers' expenditure	8,10	1st quarter 1970 to 2nd quarter 1984	1.1	0.7	0.8	0.8	1	0.8
Fixed capital formation								
Total	8,16	1st quarter 1970 to 2nd quarter 1984	2.2	1.4	1.0	1.5	1	1.0
Manufacturing industry	18	1st quarter 1970 to 2nd quarter 1984	3.2	1.8	2.7	0.8	1	0.8
Stockbuilding(2)								
Total	8,22	1st quarter 1970 to 2nd quarter 1984	397.7	245.9	283.5	0.9	1	0.9
Manufacturing	22	1st quarter 1970 to 2nd quarter 1984	282.7	189.2	175.5	1.1	2	0.5
Exports: goods and services	8	1st quarter 1970 to 2nd quarter 1984	3.1	2.4	1.7	1.4	2	0.8
Imports: goods and services	8	1st quarter 1970 to 2nd quarter 1984	3.3	2.4	2.1	1.2	2	0.5
Real personal disposable income	10	1st quarter 1970 to 2nd quarter 1984	1.8	1.1	1.2	0.8	1	0.8
Other national income series								
Gross trading profits of companies	60	1st quarter 1970 to 2nd quarter 1984	5.7	2.7	4.7	0.8	1	0.8
Other quarterly series								
Construction output(3)	30	1st quarter 1970 to 2nd quarter 1984	2.1	1.4	1.4	1.0	1	1.0
Public sector borrowing requirement(4)	56	1st quarter 1970 to 2nd quarter 1984	706.7	467.1	355.0	1.3	2	0.7
Personal saving ratio	10	1st quarter 1970 to 2nd quarter 1984	8.8	6.4	4.7	1.4	2	0.5
Monthly series								
Retail sales								
Food retailers	12	January 1971 to January 1985	1.0	0.9	0.3	3.3	4	0.8
Mixed retail businesses	12	January 1971 to January 1985	2.3	2.2	0.5	4.2	5	0.8
Clothing and footwear retailers	12	January 1971 to January 1985	2.7	2.6	0.5	4.9	5	0.9
Household goods retailers	12	January 1971 to January 1985	2.8	2.6	0.8	3.4	4	1.0
Other non-food retailers	12	January 1971 to January 1985	1.7	1.6	0.5	3.6	4	1.0
Cars: new registrations	12	January 1975 to December 1984	9.8	9.8	0.9	11.5	6	
Housing: public authorities(5)								
Starts	20	January 1956 to December 1983	12.7	12.4	2.0	6.2	6	
Completions	20	January 1956 to December 1983	8.4	8.3	1.3	6.4	6	1.0
Housing: private								
Starts	20	January 1956 to December 1983	9.5	9.5	1.8	5.3	6	1.0
Completions	20	January 1956 to December 1983	6.4	6.3	1.0	6.3	6	
Index of industrial production:								
Production industries(Revised definition)	5,26,28	January 1973 to May 1985	1.2	1.0	0.5	2.1	3	0.9
Manufacturing industries(Revised definition)	26,28	January 1973 to May1985	1.4	1.3	0.4	2.8	4	0.8
Passenger car production:								
Home market	32	January 1976 to December 1984	12.1	11.8	1.8	6.5	6	1.3
Export	32	January 1976 to December 1984	15.6	15.0	2.7	5.6	6	1.0
Commercial vehicle production:								
Home market	32	January 1976 to December 1984	10.4	9.1	3.1	2.9	4	0.9
Export	32	January 1976 to December 1984	9.6	8.9	2.7	3.3	5	0.8
Unemployed males - excluding school-leavers(6)	(5,36)	January 1971 to March 1984	17.7	3.6	17.2	0.2	1	0.2
Unemployed females - excluding school-leavers(6)	(5,36)	January 1971 to March 1984	6.1	1.5	5.9	0.3	1	0.3
Vacancies notified to employment offices(6)	(5,36)	January 1971 to January 1984	6.4	2.4	5.8	0.4	1	0.4
Average earnings: whole economy	40	January 1976 to December 1982	1.0	0.3	1.0	0.3	1	0.3
Exports: value, f.o.b.(7)	48	January 1970 to September 1984	3.3	3.0	1.3	2.3	3	0.7
Imports: value, f.o.b.(7)	48	January 1970 to September 1984	4.0	3.6	1.7	2.1	2	1.0
Money stock - £M3(8)	5,52	May 1975 to May 1985	1.0	0.5	1.0	0.5	1	0.5

1 For a complete description of these measures see article 'Measuring variability in economic time series' in Economic Trends, No 226, August 1972.
The following are brief definitions of the measures.
$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.
$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.
$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes (2,4,6 and 8).
$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.
The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are on average, greater than the irregular movement.
2 The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present, seasonal adjustment of the published stocks series is performed multiplicatively on the level of stocks.
3 Series relates to Great Britain.
4 The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.
5 Series relate to Great Britain, though variability measures calculated from England and Wales component.
6 Series relate to Great Britain and may be found in Tables 2.2 and 3.1 of Employment Gazette.
The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.
7 The figures have been updated as described in an article in Economic Trends, No 320, June 1980.
8 Although the series is seasonally adjusted additively, the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter. An approximate adjustment has been made to allow for

Research and development in the United Kingdom in 1983

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Expenditure on research and development (R & D) at current prices increased from £5.9 billion in 1981 to nearly £6.6 billion in 1983. However, after allowing for the increasing cost of research and development, expenditure fell in real terms by 4½ per cent. Over the same period gross domestic product (gdp) increased by more than 5½ per cent in real terms. Hence expenditure on R & D as a proportion of gdp fell from 2.34 per cent in 1981 to 2.19 per cent in 1983.

Full details of the two R & D inquiries, carried out by the Department of Trade and Industry, and on which these estimates are made, are given in the technical annex. An annual one is addressed to all government departments to measure spending on sciences and humanities. The latest inquiry, completed in March, provides estimates of the spending pattern in the financial year 1983/84. The other inquiry is biennial, and provides estimates of R & D spending by industry. The industry inquiry covers R & D in science and technology only. Results of the 1983 industry inquiry, which were published in *British business*[1], have been incorporated in the tables in this article.

Summary tables 1 to 6

Table 1 shows UK expenditure on R & D performed in the field of science and technology for every year since 1972 in which an industry survey has been taken. Part (b) shows that the volume of expenditure reached a peak in 1981. Between 1981 and 1983 the volume of expenditure on industry performed R & D declined to the level of 1978. The volume of expenditure on government performed R & D declined less sharply. Details of the method for adjusting to constant prices are given in the technical annex.

Part (c) shows expenditure on R & D as a percentage of gdp. The ratio is of two large and imprecise estimates, and changes in the ratio should be interpreted with caution. However the ratio reached a peak in 1981 and declined between 1981 and 1983 to about the level of 1978.

Employment, in terms of full-time equivalent man years, is shown in Part (d). Employment on R & D by central government has declined steadily since 1975.

Expenditure and employment on research and development in Science and Technology in the United Kingdom[1]

TABLE 1

	1972	1975	1978	1981	1983
(a) Expenditure at current prices, £ million					
i Analysis by peformer:					
By government	337	566	758	1 339	1 494
By universities[2] and further education establishments	115	179	317	630	750
By industry	831	1 340	2 324	3 792	4 163
By other sectors	30	66	111	160	176
Total	1 313	2 151	3 510	5 921	6 583
ii Analysis by source of funds[3]					
By government	640	1 117	1 651	2 826	3 218
By industry	571	877	1 552	2 529	2 869
By other sectors[4]	102	157	307	566	496
Total	1 313	2 151	3 510	5 921	6 583
(b) Expenditure in 1975 prices[5], £ million					
Government performed	575	566	511	596	574
Industry performed	1 418	1 340	1 566	1 661	1 564
Total[6]	2 242	2 151	2 365	2 603	2 486
(c) Total expenditure as a percentage of gdp at market prices	*2.07*	*2.06*	*2.14*	*2.34*	*2.19*
(d) Employment on R & D (end-year), thousands					
Central government	75.6	77.4	71.3	63.2	58.7
Industry	183.4	180.6	190.1	195.2	186

[1] Excluding research in the social sciences and humanities; excluding work performed abroad. Figures relate to calendar years or corresponding financial years.
[2] Only very tentative estimates are available for this sector. Change in coverage between 1978 and 1981 tends to overemphasise the apparent increase between these two years.
[3] As returned by performing sectors.
[4] Including overseas sector.
[5] Current price data revalued using the SOEC price index of government performed R & D, and the DTI R & D price index elsewhere. Details in the text.
[6] Including R & D performed by other sectors.

Employment on R & D by industry, after rising steadily to 1981, fell to below the 1978 level in 1983.

Table 2 shows the pattern of spending on R & D financed by central government from 1973 to 1984. Included are data on R & D in the social sciences and humanities as well as on science and technology. The coverage is therefore wider than for table 1. Information for 1984 is provisional, and will be subject to revision when the results of the next survey become available, in 1986.

Table 2 is, in concept, different from table 1. It records the total expenditure by central government on research and development performed in its own laboratories as well as that sub-contracted to non-government organisations, including industry and the higher education sector. Table 1 is an aggregation of expenditure on research performed in-house ('intramural' research) in the separate sectors, to obtain an estimate of the total expenditure in the United Kingdom.

Expenditure on R & D by central government at constant prices reached a peak in 1980, and declined until 1982; since then it has risen to a little above the level of 1979 in 1984. Expenditure on R & D performed within government at constant prices rose between 1978 and 1981. It then declined during 1983 and 1984. In relation to gdp, government expenditure on R & D reached a peak in 1981 and has been fairly flat at about the level of 1980 since then. The division between civil and defence R & D has altered over the period, with defence generally taking a larger share since 1980 than in the years 1973 to 1979. This pattern can also be observed in the ratio of expenditure at current prices to total net expenditure. Expenditure on defence rose from 42 per cent of the total in 1973 to 50 per cent in 1979. Research Council spending has been fairly steady at about 11 or 12 per cent of the net total.

Table 3, using data compiled by the Organisation for Economic Co-operation and Development (OECD), compares the R & D expenditure of the United Kingdom and other countries which are important in R & D. The figures include, for all countries, government expenditure both civil and defence and industrially financed expenditure. The ratio conceals important differences. For example, because of the arrangements following the 1939–45 war, defence expenditure and hence R & D on defence is particularly low for West Germany and Japan compared with UK, US and France. Table 3 also shows government expenditure on civil and defence R & D in relation to gdp. There are, of course, difficulties in making international comparisons, and of ensuring comparability; results must be interpreted with caution. However the data suggests that UK expenditure on government funded R & D for defence is high.

Table 4 is a matrix of the sums estimated for the performers and funders of R & D in the United Kingdom in the field of science and technology in 1983. The total row of the table shows the estimates of work performed within the United Kingdom, in each of the sectors. The column showing the performance by the higher education sector is largely based on estimates by the University Grants Committee. Data in the columns for government, the public corporations and research associations, and private industry are almost

Research and development financed by central government[1]

TABLE 2

	Financial years beginning April											
	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984[2]
(a) Expenditure, in £ million, at current prices												
Gross expenditure												
Intramural	368	454	574	639	700	765	924	1 107	1 348	1 476	1 501	1 549
Extramural	640	761	958	1 099	1 234	1 458	1 856	2 310	2 506	2 460	2 785	3 057
Total	1 009	1 214	1 532	1 738	1 934	2 222	2 780	3 417	3 854	3 936	4 285	4 606
Net expenditure												
Defence	406	499	664	755	871	1 028	1 306	1 628	1 745	1 765	1 984	2 177
Research Councils	122	140	168	196	207	239	279	341	421	451	481	512
Other Civil	436	530	663	696	736	831	1 016	1 215	1 398	1 474	1 522	1 619
Total	964	1 169	1 495	1 647	1 814	2 097	2 601	3 184	3 564	3 690	3 987	4 308
(b) Expenditure, in £ million, at constant 1975 prices												
Intramural	557	577	574	554	538	528	554	557	600	600	576	568
Total net expenditure	1 457	1 487	1 495	1 427	1 396	1 448	1 560	1 602	1 586	1 499	1 532	1 579
(c) Net expenditure as a percentage of gdp at market prices												
Defence	*0.55*	*0.59*	*0.62*	*0.60*	*0.60*	*0.61*	*0.66*	*0.71*	*0.69*	*0.64*	*0.66*	*0.68*
Civil	*0.73*	*0.78*	*0.77*	*0.69*	*0.63*	*0.62*	*0.64*	*0.66*	*0.72*	*0.69*	*0.67*	*0.67*
Total net expenditure	*1.28*	*1.37*	*1.39*	*1.28*	*1.22*	*1.23*	*1.30*	*1.37*	*1.40*	*1.33*	*1.33*	*1.35*
(d) Numbers employed, in thousands, on R & D performed by central government at end of the calendar year												
Total	75.5	77.4	78.3	76.0	74.2	72.3	70.8	68.4	64.1	63.1	59.5	59.6

[1] As returned by government, including work performed overseas.
[2] Provisional.

Source: Department of Trade and Industry.

Gross and government funded R & D expenditure on science, technology, social sciences and humanities in 1983 for the United Kingdom and other countries

TABLE 3

	Gross R & D[1]		Government funded R & D[2] as a percentage of gdp		
	£ billion	as a percentage of GDP	Total	Defence	Civil
United Kingdom	6.7	2.3	1.33	0.66	0.68
France	7.1	2.1	1.40	0.46	0.94
Germany	9.9	2.6	1.14	0.11	1.04
Italy	3.2	1.2	0.71	0.04	0.67
Japan*	16.8	2.5	0.53	0.01	0.52
United States	48.7	2.7	1.18	0.76	0.42

[1] Gross R & D expenditure, i.e. the sum of intramural R & D, in all sectors (government, higher education, private industry and private non-profit).
[2] R & D expenditure, intramural and extramural, by Government.
* 1982 for gross R & D, 1981 for Government funded R & D. There are considerable difficulties in comparing R & D funding by the Japanese Government and funding by the Governments of other countries. For example, data available for Japan include only intramural spending and general university funding.

Source: OECD, using OECD rates of exchange.

Research and development performed in each sector according to the source of finance[1] - 1983

TABLE 4

£ million

	Sector carrying out the work						
	Government	Universities and further education establishments	Public corporations and research associations	Private industry	Other	Total performed in the United Kingdom	Research carried out abroad
Sector providing the funds							
Government	1 228.8	634.0	39.9	1 217.6	97.5	3 217.9	214.6
Universities[2]	—	25.0	—	—	—	25.0	..
Public corporations and research associations	12.6	9.1	433.5	60.0	—	515.2	..
Private industry	157.5	16.9	29.9	2 099.2	50.7	2 354.2	..
Overseas	42.1	18.0	23.0	260.3	4.5	347.9	..
Other	52.7	46.5	—	—	23.7	122.8	..
Total cost of research and development performed	1 493.8	749.5	526.2	3 637.1	176.4	6 583.0	..

[1] Research in the social sciences is excluded.
[2] Including also further education establishments.

Source: Department of Trade and Industry.

entirely derived from the results of the two main surveys. The weakest estimates are for the residual sector, the non-profit bodies such as the charitable foundations concerned with research into specific medical conditions. Of the gross total of £6.6 billion, 2.7 per cent is estimated to be performed by such organisations.

Expenditure by the Universities from their own funds, £25 million in 1983, arises from payments for R & D other than the directly identifiable payments from the Government grant-in-aid and other contracts, from government or industry. The source of this University and further education income is, largely, the fee payments by overseas students.

A direct comparison between the 1981 and 1983 pattern of performing and funding R & D is shown in table 5. The percentage of work for defence performed by government has increased while the proportion devoted to civil R & D has declined. While the proportion performed by private industry has fallen, the percentage performed by universities and further education establishments has increased between 1981 and 1983. Assuming that expenditure on defence R & D is funded by government in the United Kingdom, it is clear that the proportion has risen between 1981 and 1983. Over a quarter of the expenditure on R & D performed in the UK in 1983 related to defence needs.

Table 6 provides an analysis of expenditure in 1983 showing the distribution of spending divided between current expenditure and capital items. Nearly 92 per cent of expenditure was on items of current expenditure. However, R & D performed within government establishments had a higher capital element, current expenditure being about 88 per cent of the total.

Government expenditure

Tables 7 to 10 show government expenditure on R & D, in total. The summary results of research and development performed, in tables 4 to 6, include only the intramural element identified in the science and technology total of table 7.

Table 7 analyses gross expenditure on R & D according to the programmes of the Public Expenditure White Paper[2]. These are divided into R & D expenditure in the fields of science and technology, and of the social sciences and humanities. Expenditure on science and technology was 95 per cent of the total in 1983. Most of the spending on R & D in social science was in universities.

Within the field of science and technology the biggest single programme was defence. This was just less than half the total. However about 60 per cent of this was in private industry. Other important programmes are

Changes in the distribution of R & D[1] peformed or financed (1981 and 1983 compared)

TABLE 5

	1981		1983	
	£ million	per cent	£ million	per cent
Work performed by				
Government				
Defence	557.7	*9.4*	654.9	*9.9*
Civil				
Research councils	250.2	*4.2*	279.0	*4.2*
Other civil research	526.5	*8.9*	552.9	*8.4*
Local government	5.0	*0.1*	7.0	*0.1*
Total government	1 339.4	*22.6*	1 493.8	*22.7*
Universities and further education establishments[2]	629.6	*10.6*	749.5	*11.4*
Public corporations	384.8	*6.5*	526.2	*8.0*
Research associations	88.1	*1.5*		
Private industry	3 319.5	*56.1*	3 637.1	*55.2*
Other	159.6	*2.7*	176.4	*2.7*
Total non-government	4 581.7	*77.4*	5 089.3	*77.3*
Total all sectors	5 921.1	*100.0*	6 583.0	*100.0*
Finance provided by				
Government				
Defence	1 666.7	*24.8*	1 884.3	*25.7*
Civil				
Research councils	363.5	*5.4*	408.3	*5.6*
Other civil research	1 161.3	*17.3*	1 265.4	*17.3*
Local government	20.0	*0.3*	25.5	*0.3*
Total as returned by government	3 211.5	*47.7*	3 583.5	*48.9*
Total as returned by the sector carrying out the work				
Government	2 825.9	*47.7*	3 217.9	*48.9*
Universities and further education establishments	58.0	*1.0*	25.0	*0.4*
Public corporations	449.2	*7.6*	2 869.4	*43.6*
Private industry[2]	2 080.1	*35.1*		
Overseas	411.4	*6.9*	347.9	*5.3*
Other	96.6	*1.6*	122.8	*1.9*
Total non-government	3 095.3	*52.3*	3 365.1	*51.1*
Total all sectors	5 921.1	*100.0*	6 583.0	*100.0*

[1] Research in the social sciences is excluded.
[2] Private industry includes the research associations here

Source: Department of Trade and Industry.

Education and Science, which includes the Research Councils and Universities, (more than half civil expenditure), and the energy programme.

Current spending on intramural research and development in the field of science and technology is analysed into basic research, applied research and experimental development in table 8 which shows the figures for the three most recent years. The largest programme was defence where development was the biggest component of current expenditure. Energy was next in importance where current spending was heavily concentrated on development. Education and Science was the next largest programme and in this case expenditure was mainly on basic research.

Net expenditure as defined in the technical annex, is shown in table 9. Expenditure for programmes is given for the four financial years from 1981/82 to 1984/85. R & D in the field of science and technology was, as would be expected, dominated by spending on defence. Industry, energy, trade and employment, and education and science, including the universities and research councils, are the important civil research programmes.

The Statistical Office of the European Communities (SOEC) has, for a number of years, compared the R & D performance of the governments of member states. This analysis concentrates on the 'objective' towards which the spending was directed. The United Kingdom supplies the SOEC with an annual statement of the estimated expenditure from recent surveys (this year in respect of 1984/85 and 1985/86). These are published annually by the SOEC[3], although revised outturn data are not subsequently published. Previous articles in this series have produced analyses of net spending by these objectives which can be traced back to 1970. However, as part of a continuing process of improvement, the classification was revised quite substantially by the SOEC during 1983. The statistics in table 10 have been collected on this new basis, as were those published in last year's article. It is not possible to compare the new series with the old. The table shows details for the years 1982/83 to 1985/86. For 1985/86 the estimates are shown only at an aggregate level, corresponding to what are described by SOEC as the 'chapters'. The table includes all expenditure on R & D, both in the fields of science and technology and of the social sciences and humanities.

Table 11 provides the distribution of persons employed on R & D work by government. They are mainly engaged in work arising from the intramural

Current and capital expenditure on research and development[1]—1983

TABLE 8

£ million

	Current				Capital			
	Salaries and wages	Materials and equipment	Other expenditure	Total	Land and buildings	Plant and equipment	Total	Total current and capital
Sector carrying out the work								
Government:								
Defence	366.1	188.0	12.7	566.8	22.1	66.0	88.1	654.9
Civil								
Research councils	141.1	58.3	35.8	235.2	13.8	29.9	43.8	279.0
Other central government	268.2	97.5	132.3	498.0	15.7	39.2	54.9	552.9
Local authorities[2]	4.1	2.1	0.4	6.6	0.1	0.3	0.4	7.0
Total government	779.5	345.9	181.3	1 306.6	51.7	135.4	187.2	1 493.8
Universities and further education establishments	401.0	45.2	263.2	709.4	1.0	39.1	40.1	749.5
Public corporations and research associations	248.0		252.9	500.9	..	..	25.4	526.2
Private industry	1 633.5		1,718.9	3,352.4	..	..	284.7	3 637.1
Non-profit-making organisations	40.7		13.6	54.3	3.3	2.3	5.7	60.0
Total (excluding other organisations)	3 102.6		2 821.0	5 923.6	..	..	543.0	6 466.6
Other organisations	..		..	..	..	..	..	116.4
Total	..		..	..	..	..	..	6 583.0

[1] Research in the social sciences is excluded.
[2] Estimated.

Source: Department of Trade and Industry.

expenditure shown in table 7. Some of those working in an administrative capacity are, however, managing the extramural projects. Defence and energy are the main fields of employment.

Industrial research and development

The most recent estimates of expenditure on industrial R & D are for 1983, and were published in *British business*[1]. The sample survey showed a fall in expenditure on R & D in real terms of about 6 per cent between 1981 and 1983. Table 12 shows the detail for the total expenditure on seven groups of manufactured products. Within this overall reduction in expenditure on research between 1981 and 1983 research on electronics products and motor vehicles increased, chemical and allied products maintained the 1981 level, while other product groups showed a reduction in R & D.

The price deflator used in the industrial R & D estimates is derived from a number of relevant cost indices, weighted by the results of the 1975 industrial survey. Details can be found in the technical annex.

Other examinations of Government R & D

It should be remembered that the United Kingdom government has no central research budget. Departments allocate their total budgets in accordance with their own policies and priorities, with R & D making up only a part of the budget of each department.

Some important work on an overall view of R & D priorities is currently being carried out by the Cabinet Office, which has given rise to an annual review of government funded R & D. The initiative was announced in the government's response to a House of Lords Select Committee Report[6] on Science and Government and uses as one of its sources the government survey described in this article. Its main purpose is concerned with R & D planning, however, so different analyses are presented therein and extra information is included. Results were published both last year[7] and the previous year[8].

Further information

Enquiries about statistics in this article should be made to:

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Gross central government expenditure on research and development in the financial year 1983/84 final outturn

TABLE 7

£ million

	Intramural expenditure					Extramural expenditure					
	Current										
	Salaries and wages[1]	Other	Total	Capital	Total intra-mural	Universities and further education establishments	Private industry and public corporations	Other	Overseas	Total extra-mural	Total intra and extra-mural
R & D in Science and technology											
Defence	366.1	200.7	566.8	88.1	654.9	9.4	1 257.3	7.0	97.9	1 371.7	2 026.5
Civil:											
Overseas services	3.1	1.8	4.9	0.2	5.1	2.7	0.1	3.1	7.5	13.4	18.5
Agriculture, fisheries and forestry	31.8	29.5	61.3	6.1	67.4	1.7	4.2	1.2	0.0[2]	7.1	74.5
Industry, trade and employment:											
Aerospace	0.5	0.1	0.6	–	0.6	0.7	145.4	–	51.1	197.2	197.8
Energy	169.6	160.4	330.0	35.2	365.1	6.3	32.1	7.1	2.5	48.0	413.1
Other industry, trade and employment	18.0	14.1	32.1	5.0	37.1	2.3	111.3	5.5	0.3	119.4	156.5
Environmental services	16.9	9.2	26.1	2.0	28.1	3.8	20.2	3.7	0.2	27.9	56.0
Law, order and protective services	2.7	3.0	5.7	0.1	5.8	0.3	2.6	0.1	0.2	3.2	9.1
Education and science:											
Agricultural and Food Research Council	26.6	11.9	38.5	5.5	44.0	4.8	–	52.1	–	56.9	100.8
Medical Research Council	46.3	20.6	67.0	6.8	73.8	33.6	–	9.6	2.2	45.3	119.1
Natural Environment Research Council	33.3	26.2	59.5	9.7	69.2	7.1	0.4	9.8	0.0	17.3	86.5
Science and Engineering Research Council	35.0	35.3	70.3	21.8	92.1	78.8	0.1	30.2	52.6	161.7	253.8
Other science, education etc[3]	7.8	1.4	9.2	–	9.2	1.0	0.1	5.1	–	6.2	15.4
Universities in the United Kingdom	–	–	–	–	–	459.0	–	–	–	459.0	459.0
Health and social security	6.2	3.4	9.6	5.0	14.7	5.4	1.5	1.5	–	8.5	23.2
Other public and common services	0.4	0.7	1.1	0.1	1.1	0.0	0.1	–	–	0.1	1.2
Scotland	6.4	3.8	10.2	0.5	10.7	2.9	0.2	31.6	–	34.7	45.4
Wales	0.0	–	0.0	–	0.0	0.3	–	0.6	–	0.9	0.9
Northern Ireland	4.8	2.4	7.2	0.6	7.9	0.4	4.5	1.1	–	6.0	13.9
Total civil	409.3	323.9	733.2	98.7	831.9	611.1	322.8	162.4	116.6	1 212.9	2 044.8
Total R & D in science and technology	775.4	524.6	1 300.0	186.7	1 486.8	620.5	1 580.1	169.4	214.6	2 584.6	4 071.3
Social science R & D[4]											
Defence	1.7	0.1	1.8	–	1.8	–	–	–	–	–	1.8
Civil:											
Overseas services	0.0	0.0	0.1	–	0.1	1.5	–	0.0	0.5	2.0	2.1
Agriculture, fisheries and forestry	–	–	–	–	–	0.2	–	0.0	–	0.2	0.2
Industry, trade and employment	1.2	0.3	1.4	–	1.4	1.8	0.5	3.1	0.0	5.4	6.9
Environmental services	0.6	0.4	1.0	0.0	1.0	0.5	0.8	0.1	–	1.5	2.5
Law, order and protective services	1.1	0.6	1.7	–	1.7	0.4	0.2	0.5	0.0	1.2	2.9
Education and science:											
Economic and Social Research Council	2.0	1.2	3.2	0.0	3.3	9.6	–	4.4	–	14.0	17.3
Other science, education etc[1]	0.1	0.1	0.2	0.0	0.2	1.3	0.0	10.0	0.1	11.3	11.5
Universities in the United Kingdom	–	–	–	–	–	157.0	–	–	–	157.0	157.0
Health and social security	0.2	0.1	0.3	–	0.3	3.8	–	2.4	–	6.2	6.5
Other public and common services	1.4	1.0	2.4	–	2.4	0.2	0.1	0.0	0.0	0.4	2.8
Scotland	0.9	–	0.9	–	0.9	0.4	0.1	0.0	–	0.4	1.3
Wales	0.1	–	0.1	–	0.1	0.3	0.0	0.2	–	0.5	0.6
Northern Ireland	0.5	0.2	0.7	–	0.7	0.1	–	0.0	–	0.1	0.8
Total civil	8.2	3.8	12.0	0.1	12.1	177.0	1.8	20.9	0.6	200.3	212.3
Total social science R & D	9.9	3.9	13.8	0.1	13.8	177.0	1.8	20.9	0.6	200.3	214.1
Total expenditure on R & D	785.3	528.5	1 313.8	186.8	1 500.6	797.5	1 581.9	190.3	215.2	2 784.8	4 285.4

[1] Total salary cost, including employer's national insurance contributions and superannuation payments.
[2] This notation is used throughout these tables to show numbers which, whilst not actually being zero, are too small to register with the decimal places used.
[3] Including the Arts and Libraries programme.
[4] The figures for social science R & D are less reliable than those for R & D in general, because of the difficulties of distinguishing between social science research and other related activities such as information services and general purpose data collection.

Source: Department of Trade and Industry.

Gross central government expenditure on intramural research and development[1]

TABLE 8

£ million

Current (i.e. non-capital) expenditure	1981/82[2]					1982/83[2]					1983/84				
	Basic research	Applied research	Development	Unallocated	Total	Basic research	Applied research	Development	Unallocated	Total	Basic research	Applied research	Development	Unallocated	Total
Defence	–	176.1	329.3	–	505.3	–	209.2	344.9	–	554.1	–	232.8	334.0	–	566.8
Civil:															
Overseas services	–	4.1	0.1	–	4.2	–	3.9	0.1	–	4.1	–	4.8	0.1	–	4.9
Agriculture, fisheries and forestry	1.6	14.4	41.8	0.1	58.0	1.7	15.6	42.8	0.2	60.2	1.9	15.1	44.3	–	61.3
Industry, trade and employment:															
Aerospace	–	–	–	0.5	0.5	–	–	–	0.6	0.6	0.0	0.4	0.2	–	0.6
Energy	17.5	59.3	215.8	–	292.6	20.3	67.2	214.8	–	302.3	21.8	67.8	240.4	–	330.0
Other industry, trade and employment	1.4	38.1	9.7	2.9	52.2	1.5	39.2	8.8	3.5	53.0	0.7	21.2	10.2	–	32.1
Environmental services	0.7	25.1	4.2	1.5	31.5	0.8	23.7	3.9	1.5	29.9	0.0	22.3	3.8	–	26.1
Law, order and protective services	0.6	1.7	3.4	–	5.8	0.6	2.0	4.1	–	6.7	–	1.3	4.5	–	5.8
Education and Science:															
Agricultural and Food Research Council	27.2	3.2	–	–	30.4	30.8	3.7	–	–	34.5	38.5	–	–	–	38.5
Medical Research Council	30.1	28.9	–	–	59.0	31.7	30.5	–	–	62.2	21.4	45.5	–	–	67.0
Natural Environment Research Council	46.1	10.1	–	–	56.2	47.4	10.4	–	–	57.8	50.9	8.6	–	–	59.5
Science and Engineering Research Council	60.5	–	–	–	60.5	66.4	–	–	–	66.4	70.3	–	–	–	70.3
Other science, education etc[3]	8.1	–	–	0.6	8.7	8.7	–	–	0.5	9.2	9.2	–	–	–	9.2
Health and social security	–	8.3	0.3	–	8.5	–	8.5	0.3	–	8.8	–	9.3	0.3	–	9.6
Other public and common services	–	–	0.5	8.8	9.3	–	–	0.7	10.4	11.1	–	–	1.1	–	1.1
Scotland	1.5	6.5	0.5	–	8.5	1.7	7.0	0.5	–	9.2	1.9	7.8	0.6	–	10.2
Wales	–	–	–	–	–	–	0.1	–	–	0.1	–	0.0	–	–	0.0
Northern Ireland	–	5.5	–	–	5.5	–	5.3	–	–	5.3	0.0	5.1	2.1	–	7.2
Total civil	195.3	205.3	276.3	14.5	691.4	211.6	216.9	276.0	16.6	721.1	216.6	209.2	307.5	–	733.2
Total	195.3	381.4	605.6	14.5	1 196.8	211.6	426.1	621.0	16.6	1 275.2	216.6	442.0	641.5	–	1 300.0

[1] Excluding R & D in the social sciences and humanities.
[2] Revised.
[3] Includes the Arts and Libraries programme.

Source: Department of Trade and Industry.

Net[1] central government expenditure on research and development

TABLE 9

£ million

	1981/82 Outturn	1982/83 outturn	1983/84 Outturn	1984/85 Provisional Outturn
R & D in science and technology				
Defence	1 743.3	1 763.1	1 982.3	2 175.0
Civil:				
Overseas services	15.3	17.5	18.9	20.7
Agriculture, fisheries and forestry	111.8	119.2	124.1	131.8
Industry, trade and employment:				
Aerospace	173.7	145.9	167.3	178.0
Energy	238.7	244.4	237.7	232.0
Other industry, trade and employment	117.4	143.4	153.6	195.0
Environmental services	64.8	60.1	59.9	70.9
Law, order and protective services	8.2	9.2	9.2	10.3
Education and science:				
Agricultural and Food Research Council	41.4	43.1	45.2	46.1
Medical Research Council	100.6	106.4	113.0	116.5
Natural Environment Research Council	52.1	55.2	60.0	63.1
Science and Engineering Research Council	212.1	230.0	245.1	268.5
Other science, education, etc[2]	14.0	14.8	15.1	15.9
Universities in the UK	400.0	440.0	459.0	472.0
Health and social security	18.6	20.3	21.1	21.1
Other public and common services	9.9	11.6	1.3	1.4
Scotland	39.4	41.4	45.5	48.8
Wales	0.5	0.7	0.9	0.9
Northern Ireland	9.2	8.7	13.5	13.8
Total Civil	1 627.5	1 712.0	1 790.3	1 906.9
Total R & D in science and technology	3 370.7	3 475.1	3 772.6	4 081.9
Social science R & D				
Defence	1.3	1.8	1.8	1.9
Civil:				
Overseas services	1.2	1.2	2.1	1.6
Agriculture, fisheries and forestry	0.1	0.2	0.2	0.3
Industry, trade and employment	5.0	5.7	7.0	9.5
Environmental services	2.1	2.3	2.4	4.1
Law, order and protective services	3.0	3.0	3.0	3.1
Education and science:				
Economic and Social Research Council	15.3	16.4	17.5	17.6
Other science, education etc[2]	8.4	8.9	11.3	13.1
Universities in the United Kingdom	140.0	160.0	157.0	162.0
Health and social security	9.6	8.6	6.7	6.8
Other public and common services	3.8	3.8	2.8	2.5
Scotland	1.4	1.4	1.4	1.6
Wales	1.1	0.9	0.6	0.8
Northern Ireland	0.5	0.7	0.8	1.0
Total civil	191.5	212.9	212.7	224.0
Total social science R & D	192.8	214.7	214.5	225.9
TOTAL EXPENDITURE ON R & D	3 563.6	3 689.8	3 987.1	4 307.8

[1] Net expenditure is defined in the technical annex.
[2] Includes the Arts and Libraries programme

Source: Department of Trade and Industry.

Net central government expenditure on research and development: analysis by European Community objectives for R & D spending

TABLE 10

£ million

	1982/83	1983/84	1984/85 (Provisional)	1985/86 (Estimates)
Exploration and exploitation of the earth:				
Total	67.7	69.3	73.8	77.5
General research	55.4	59.8	63.1	..
Earth's crust and mantle excluding sea bed	2.9	0.4	0.6	..
Atmosphere	5.8	6.1	6.3	..
Other	3.5	3.0	3.9	..
Infrastructure and general planning of land-use:				
Total	61.1	57.3	62.8	58.6
Construction and planning of buildings	19.5	16.4	17.4	..
Transport systems	23.9	24.1	19.0	..
Civil engineering	8.6	9.2	17.4	..
Other	9.2	7.6	9.1	..
Control of environmental pollution:				
Total	49.0	44.0	50.8	53.8
General research	1.2	0.9	1.2	..
Water pollution	4.9	3.7	5.1	..
Atmospheric pollution	3.1	4.5	5.4	..
Radioactive pollution	30.9	31.2	33.9	..
Other scientific research on the pollution of the environment	9.0	3.7	5.1	..
Protection and promotion of human health:				
Total	141.7	151.9	156.8	162.2
General research	118.1	132.7	137.4	..
Biomedical engineering medicines	6.7	2.7	2.9	..
Nutrition and food hygiene	6.0	6.8	5.9	..
Other	11.0	9.8	10.6	..
Production, distribution and rational utilization of energy:				
Total	224.2	220.6	218.6	213.0
Nuclear fission	167.8	162.8	155.9	..
Nuclear fusion	23.3	22.1	20.7	..
Renewable energy sources	13.5	12.7	15.3	..
Other research on production, distribution and rational utilization of energy	19.6	23.0	26.7	..
Agricultural production and technology:				
Total	202.0	206.9	214.8	222.4
General research	22.0	12.3	12.5	..
Animal products	58.2	56.4	57.6	..
Fishing and fish farming	16.6	17.9	20.6	..
Crops	74.5	91.4	96.1	..
Other	30.7	28.9	28.1	..
Industrial production and technology:				
Total	218.1	257.9	306.9	336.3
General research	26.5	27.7	36.7	..
Manufacturing and processing techniques and materials research	35.8	22.4	29.9	..
Manufacture of motor vehicles and other means of transport	97.8	119.5	129.5	..
Electrical and electronic engineering	18.5	29.4	51.5	..
Other	39.4	58.9	59.3	..
Social structures and relationships:				
Total	25.9	33.0	37.5	44.8
Education, training, recurrent education and retraining	8.8	16.6	22.0	..
Other research with regard to society	17.1	16.4	15.5	..
Exploration and exploitation of space:				
Total	73.2	74.1	79.1	66.2
Research financed from general university funds				
Total	600.0	616.0	634.0	651.0
Non-oriented research:				
Total	210.6	268.2	291.4	327.5
Mathematics and natural sciences	185.4	193.6	197.5	..
Engineering sciences	3.6	56.0	75.0	..
Social sciences and humanities	20.0	17.8	18.2	..
Other	1.5	0.9	0.7	..
Other civil research:				
Total	58.0	11.1	12.1	12.9
Defence:				
Total	1 758.2	1 976.5	2 169.3	2 378.9
TOTAL ALL OBJECTIVES	3 689.8	3 987.1	4 307.8	4 605.3

Note: Expenditure under any one objective may be the addition of R&D for more than one programme.

Central government employment on research and development

TABLE 11

Thousands

	1 January 1984					1 January 1985				
	Science and technology					Science and technology				
	Scientists and engineers	Technicians	Other[1]	Social Science	Total	Scientists and engineers	Technicians	Other[1]	Social Science	Total
Defence	4.7	3.9	16.5	0.1	25.3	4.7	3.9	16.6	0.1	25.2
Civil:										
Overseas services	0.2	0.1	0.1	0.0	0.3	0.2	0.1	0.1	0.0	0.3
Agriculture, fisheries and forestry	1.4	0.8	1.2	—	3.4	1.4	0.8	1.1	—	3.4
Industry, trade and employment										
Aerospace	0.0	—	0.0	—	0.0	0.0	—	0.0	—	0.0
Energy	3.3	1.8	8.2	0.0	13.3	3.1	1.7	8.9	0.0	13.6
Other industry, trade and employment	0.7	0.2	0.6	0.1	1.6	0.7	0.2	0.6	0.1	1.5
Environmental services	0.8	0.0	0.7	0.0	1.5	0.8	0.0	0.7	0.0	1.5
Law, order and protective services	0.1	0.0	0.0	0.1	0.3	0.1	0.0	0.0	0.1	0.3
Education and science:										
Agricultural and Food Research Council	0.6	0.4	0.6	—	1.6	0.8	0.3	0.7	—	1.7
Medical Research Council	1.5	1.1	1.2	—	3.8	1.5	1.1	1.1	—	3.7
Natural Environment Research Council	1.5	0.1	1.2	—	2.8	1.4	0.1	1.2	—	2.7
Science and Engineering Research Council	1.1	0.2	1.5	—	2.9	1.1	0.2	1.5	—	2.8
Economics and Social Research Council	—	—	—	0.2	0.2	—	—	—	0.2	0.2
Other science, education etc[2]	0.3	0.1	0.3	0.0	0.7	0.3	0.1	0.3	0.0	0.7
Health and social security[3]	0.2	0.2	0.2	0.1	0.7	0.2	0.2	0.2	0.1	0.7
Other public and common services	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.1
Scotland	0.2	0.1	0.2	0.1	0.6	0.2	0.1	0.3	0.1	0.6
Wales	—	—	0.0	0.0	0.0	—	—	0.0	0.0	0.0
Northern Ireland	0.1	0.2	0.2	0.0	0.5	0.1	0.2	0.2	0.1	0.5
Total employed on R & D in science and technology	16.6	9.4	32.7	—	58.7	16.6	9.0	33.4	—	59.0
Total employed on social science research	0.4	0.0	0.3	0.8	0.8	0.4	0.0	0.2	0.7	0.7
Total	17.1	9.4	33.0	0.8	59.5	17.0	9.0	33.7	0.7	59.6

[1] Including administrative staff.
[2] Includes the Arts and Libraries Programme.
[3] Excluding hospital staff.

Source: Department of Trade and Industry.

Industrially performed R&D in the United Kingdom at current and constant (1975) prices

TABLE 12

£ million

	Current prices								
	1966	1967	1968	1969	1972	1975	1978	1981[1]	1983
All product groups	580.4	604.5	638.7	680.3	830.5	1 340.1	2 324.3	3 792.5	4 163.3
All manufactured products of which:	570.2	594.2	629.5	670.6	806.2	1 293.4	2 243.3	3 549.0	3 900.7
Chemical and allied products	84.3	86.1	93.9	104.5	137.8	245.4	424.7	654.7	765.9
Mechanical engineering	59.7	61.8	63.1	60.3	54.8	103.4	181.1	248.1	260.3
Electronics	111.6	114.7	127.9	141.1	179.0	279.0	649.6	1 153.3	1 390.9
Other electrical engineering	37.0	37.6	39.7	39.5	40.1	73.0	100.8	120.8	117.7
Motor vehicles and parts	45.2	44.7	44.4	48.9	58.1	88.3	129;7	180.4	239.5
Aerospace equipment, manufacturing and repairing	129.0	143.2	150.2	157.8	208.3	291.5	424.6	762.9	720.0
Other manufacturing	103.4	106.1	110.3	118.4	127.9	212.8	332.6	428.9	406.6
	at Constant 1975 prices								
All product groups	1 504.4	1 514.1	1 506.3	1 512.9	1 417.6	1 340.1	1 566.2	1 661.2	1 564.1
All manufactured products of which:	1 477.9	1 487.8	1 484.6	1 491.4	1 376.2	1 293.4	1 511.6	1 554.5	1 465.4
Chemical and allied products	218.3	216.1	223.3	236.5	230.8	245.4	283.5	277.1	278.6
Mechanical engineering	154.8	154.5	148.0	132.9	93.7	103.4	118.3	111.2	98.8
Electronics	287.6	285.1	296.8	308.5	301.5	279.0	441.9	510.6	528.6
Other electrical engineering	93.3	91.8	91.4	85.0	67.9	73.0	68.6	53.4	44.8
Motor vehicles and parts	119.5	112.8	105.9	111.6	96.9	88.3	87.8	80.3	91.2
Aerospace equipment, manufacturing and repairing	330.9	355.8	354.4	350.9	366.4	291.5	285.4	336.7	272.2
Other manufacturing	273.5	271.6	264.7	266.0	218.9	212.8	226.1	185.1	151.3

[1] Revised

Note: Industry is grouped according to the 1968 Standard Industrial Classification.

Source: Department of Trade and Industry.

United Kingdom industrial intramural expenditure on research and development at current and constant prices, and implied deflators

TABLE 13 £ million

	1964	1966	1967	1968	1969	1972	1975	1978	1981	1983
Expenditure at current prices	488.6	580.4	604.5	638.7	680.3	830.5	1 340.1	2 324.3	3 792.5	4 163.3
Expenditure at 1975 prices	1 400	1 504	1 514	1 506	1 513	1 418	1 340	1 566	1 661	1 564
Implied price deflators	34.9	38.6	39.9	42.4	45.0	58.6	100.0	148.4	228.3	266.2

Source: Department of Trade and Industry.

Technical Annex

Definitions

The statistics of R & D in this article are based on definitions given in the so-called *Frascati Manual*[8] published by the OECD for use by the member states, and used by other international agencies as a basis for the statistics of R & D. The definition of R & D is, according to the manual, '. . . creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society and the use of this stock of knowledge to devise new applications'. This definition embraces work in the field of both science and technology and the social science and humanities.

Sectors of the economy are fully defined, for the purposes of this article, in a Central Statistical Office publication, Studies in Official Statistics No 27, *Research and Development Expenditure and Employment*[9]. However, brief outlines of these sectors are provided in the following:-

(i) Central government is defined as in the government sector of the national accounts for the period in question. Thus it includes the Atomic Energy Authority and the Research Councils.

(ii) Local authorities (included within 'government' in table 1) are also defined as in the local authorities sector in the national accounts, except that R & D work done or financed by their further education establishments falls under heading (vi) below.

(iii) Private industry. This includes firms in private manufacturing, construction, mining and quarrying industries, private water companies and the distributive and wholesale trades. Agriculture is not included, nor are any of the private service industries not listed above.

(iv) Public corporations are also as defined as in the national accounts and are those listed in the descriptive handbook for the national accounts figures, *United Kingdom National Accounts: Sources and Methods*[10], as amended from time to time and listed in the notes of the successive issues of the annual publication entitled *United Kingdom National Accounts*[11] (formerly *National Income and Expenditure*). While the number of public corporations will vary over time, the total industrial sector, private plus public, should be unaltered.

(v) Industrial research associations include the cooperative research associations and other organisations grant-aided by the Department of Trade and Industry and also the other industrial research associations.

(vi) Higher education covers the universities and the spending of the local education authorities on the polytechnics.

(vii) Private non-profit-making bodies. These cover, in principle, such research performing and/or financing charitable bodies as the Cancer Research Campaign and the major grant-dispensing private foundations.

Revision of results published in earlier articles

This article takes into account the results of the government inquiry for 1983/84. For 1983/84 and earlier years the data is final. Central government expenditure for the financial year 1984/85, together with further forward estimates, will be collected in the autumn of 1985 and will provide final outturn for 1984/85.

The annual survey of government R & D

University research may be financed from government sources in either of two ways. Payments may be made by the Research Councils or other central government 'customers' for specific projects. These are readily identifiable, and details are collected as part of the analyses for the departmental 'programmes' (see below). The other source of research finance is from general university funds, most of which is government grant-in-aid. A proportion of the total grant-in-aid would be used in supporting research carried out by academic staff. An estimate of this proportion is supplied for the government R & D survey by the University Grants Committee and is very tentative. The figures are based on an inquiry into the use of academic staff time in 1969/70.

The annual government R & D survey covers expenditure in financial years (April to March) and numbers employed at 1 January. Each year, full details of R & D expenditure and employment for a recent year and fewer details for the current and some future years are collected. For example, the 1983 survey, taken last autumn, covered:

(a) full details of expenditure in 1983/84;

(b) 'Provisional outturn' figures in limited detail of expenditure in 1984/85;

(c) 'Forecast outturn' figures in limited detail of expenditure in 1985/86, 1986/87 and 1987/88, at cash prices;

(d) numbers employed (full-time equivalent) on 1 January each year from 1984 to 1988.

The following details are collected for the year for which full information is required:

(a) gross intramural expenditure on salaries and wages, materials and equipment and other current and capital expenditure;

(b) gross expenditure on R & D performed elsewhere within the central government sector, i.e. performed by Research Councils, under other Votes or with central government funds;

(c) gross expenditure on extramural R & D performed outside the central government sector and current and capital grants for research purposes (including subscriptions to research bodies), analysed by receiving sector;

(d) receipts used directly to finance expenditure (appropriations-in-aid), analysed by paying sector (including other central government bodies);

(e) total gross expenditure (sum of (a) and (c) only, (b) being excluded to avoid double-counting of payments from one part of central government to another);

(f) net expenditure (sum of (a), (b) and (c) less (d); the aggregate of net expenditure on all returns equals the R & D element of the government's budget expenditure);

(g) net expenditure allocated to 'objectives' within the European Communities – 'Nomenclature for the analyses and comparison of science programmes and budgets' (NABS in the French language acronym);

(h) current intramural expenditure analysed by type of R & D (basic, applied experimental development);

(i) numbers of persons employed on R & D, divided between persons with a degree or equivalent qualification, technicians, administrative and clerical staff and other supporting staff.

Expenditure and employment on R & D in science and technology and in the social sciences and humanities are itemised separately. The analysis of expenditure by type of research (item (h)) is not sought for the social sciences and humanities.

The analysis of government expenditure and employment on R & D, used in tables 5 to 8 and 10, is obtained by aggregating the returns within the main programmes used by the Public Expenditure main programmes. In addition, within the 'Education and Science' programme, each Research Council is itemised separately. The published analyses do not show government expenditure on research on particular functions, industries or services in full. For example, some government support for agricultural research is included in the items 'Overseas services', 'Scotland' and 'Northern Ireland' as well as in 'Agriculture, fisheries and forestry' and the Agricultural and Food Research Council. The alternative published analysis of government expenditure on R & D by objectives is based on the separate sections completed by departments for item (g) above.

The survey of industry

Industry is defined here as consisting of three parts, private industry, public corporations and the industrial research associations.

Private industry. The inquiry for 1983 was carried out by the Business Statistics Office (BSO) and was the first in a new series based on a sample of the larger performances of R & D within private industry. Questionnaries were despatched to 75 enterprises which had accounted for 84 per cent of R & D estimated to have been performed by private industry in 1981. The 75 enterprises had been selected so as to ensure that all products on which R & D had been performed were represented. Estimates of total spending in 1983 were made by assuming that the cash value of the 16 per cent of 1981 expenditure not surveyed in 1983 had increased in the same proportion as the 84 per cent which was examined. As in 1981, the inquiry was carried out under the Statistics of Trade Act 1947. Private industry included companies in which the government had a major shareholding such as Rolls-Royce, British Leyland, Ferranti and British Nuclear Fuels. It also included the British Aerospace Corporation, as had been the case when parts of the industry were in public ownership. The figures for construction do not include all development work undertaken on civil engineering on site, owing to the difficulty of distinguishing it from other activities.

Public corporations and industrial research associations. Estimates for these two types of organisations were made by using published accounts, where available.

Total industrial expenditure. In arriving at the total of expenditure for all industry, only the money spent in each enterprise is counted. It is assumed that R & D work contracted out by an enterprise would be covered by the returns of the contractor.

Time period to which surveys relate. Private industry was asked to make returns for either the calendar year 1983 or a business year ending between 6 April 1983 and 5 April 1984. In the text and tables, references to the year 1983 includes both figures for the calendar year and other years ending in 1983/84. Figures for earlier years cover corresponding time periods.

Constant price estimates

Volume estimates of R & D expenditure have been made by using two sets of price indices, both using 1975 as the base year. The Department of Trade and Industry prepares an index of R & D costs in industry, and an article describing its construction has been published[12]. 'This price index has been used to deflate all series, except for government estimates from 1972. For those, use has been made of a price index constructed by the Statistical Office of the European Communities (SOEC) for government expenditure on R & D by each of the constituent members of the European Communities.'

General points of interest

Government R & D expenditure relates to financial years (April–March) whereas R & D in other sectors cover varying periods, normally the accounting years of the individual organisations. Total expenditure on R & D in the country is, where possible, measured from figures of the performers rather than those of the funders. It should therefore be remembered that the figures of payments to industry in the tables of gross R & D expenditure of central government are not compatible with the figures of total R & D performed in the United Kingdom.

Throughout these tables the constituents of a total have been rounded independently of the total, and the total will not always be the sum of the parts.

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Measuring Public Expenditure

Peter Stibbard, HM Treasury[1]

Introduction

The expressions 'public expenditure', 'state spending' and 'government spending' are frequently used, but not always defined in the context they are being used. Particularly when accompanied by numbers expressed absolutely or as comparisons over time, lack of definition can cause confusion. This article first reviews the coverage of current (and earlier) definitions and attempts to set them in the context of public sector transactions generally. This is followed by a description of ways of measuring public expenditure totals against gross domestic product (GDP). The article then briefly describes the information available for monitoring spending during the current year. It concludes by discussing various analyses of the totals, updating some of the material presented in an earlier article[2]. The Annex includes tables and charts on the latter topic and also tables supporting the charts in the main article.

Definitions of expenditure depend on the answer to two questions:

a. whose expenditure?

b. what sort of transaction constitutes expenditure?

These questions are more difficult than they appear at first sight. However, the national accounts—compiled by the Central Statistical Office (CSO)—provide a ready-made and widely accepted set of concepts and accounting rules, which in turn are based on macroeconomic accounting systems adopted by the United Nations, European Communities and other international organisations. The more commonly used definitions of 'public expenditure' are either national accounting aggregates or can be fairly easily related to them. The close relationship with the national accounts reflects the practical as well as logical advantages of using definitions of 'public expenditure' which match the national accounting framework used to describe the economy in numerical terms and to conduct macroeconomic forecasts. Thus 'public expenditure' can readily be viewed in the context of other important national accounts aggregates such as consumers' expenditure, GDP, the public sector borrowing requirement (PSBR), balance of payments and measures of money supply.

Whose expenditure?

The national accounts attempts to codify and bring order to the billions of individual transactions that take place both within this country and with other countries. Transactions with economic units in the rest of the world are the subject of the 'balance of payments' accounts. The statistical description of transactions *within* the United Kingdom is simplified by grouping together economic units that are expected to show roughly similar economic behaviour—thus concentrating attention on transactions between these groupings rather than within them. These groupings are known as sectors. For most purposes the economy is split into the following sectors (although for particular purposes there are further sub-divisions):

- Domestic economy
  - Public sector
    - Central government, Local authorities → general government
    - Public corporations
  - Private sector
    - Industrial and commercial companies
    - Financial companies and institutions
    - Personal sector
- Rest of the world

Therefore when describing 'public expenditure' the commentator has a choice between central government, general government and the public sector.

Which transactions?

For each sector listed above, accounts of various types are compiled, separating transactions of different economic significance.

These accounts are:

Operating account (for trading activities)
Current account
Capital account
Financial transactions account

These are fully articulated in principle[3], such that the balance, positive or negative, of each account is carried forward to the next account. The financial transactions account shows how any surplus or deficit of the combined operating, current and capital accounts is financed by transactions in financial assets and liabilities (i.e. mainly lending and borrowing activities).

Within each account incomings and outgoings are recorded separately. What constitutes receipts and what is expenditure is usually self-evident but not all transactions commonly regarded as receipts are placed on the income side of the account, nor are all outgoings placed on the expenditure side. For example, because of the way GDP is calculated, it is national accounting practice in the sectoral accounts to record capital spending on goods and services (i.e. physical assets) net of any proceeds of sales between sectors of those assets. In the financial transactions account, transactions in financial assets (e.g. company securities) are recorded net and therefore appear as a negative number whenever sales exceed acquisitions in a particular accounting period (similarly, transactions in liabilities are recorded net; repayments of borrowing are treated as negative receipts rather than positive expenditure). This treatment is judged the most suitable for the economic and financial analyses for which the data are compiled.

The practice of offsetting receipts against expenditure has a much smaller numerical impact in the current

[1] The author acknowledges the valuable advice and help he has received from colleagues in the Treasury and Central Statistical Office when preparing this article

[2] 'Public expenditure: definitions and trends' Valerie Imber and Philippa Todd: *Economic Trends No 361* November 1983 (HMSO) (Price £10.75 net)

[3] In practice incomplete and inconsistent data sources require 'unidentified' items to balance the accounts, which by convention are entries in the financial account

account. The only examples are receipts from charges for services rendered in respect of certain government non-trading activities (e.g. NHS prescription charges) or in certain cases where receipts arise incidentally in the course of administration. Refunds of overpaid tax, although strictly an outgoing, are recorded as an offset to tax revenue on the income side of the account. Tax allowances are also, in effect, treated as negative revenue but are often described as 'tax expenditures'[4].

Expenditure totals

Chart 1 uses numbers for 1984-85, based on the most recent Financial Statement and Budget Report[5] (FSBR), to illustrate the main blocks of public sector transactions, their size and broadly how they relate to each other.

Three expenditure totals are shown on the right-hand side:

General government expenditure
The public expenditure planning total
Supply expenditure

Chart 1 indicates how these are derived from the standard national accounts presentation of the income and expenditure of central government and local government. The first column shows that over 80 per cent of central government expenditure is financed by taxation and national insurance contributions whereas less than one-third of local authority expenditure is financed directly by taxation (i.e. rates)—the major source of finance is grants from central government. The borrowing requirements of central and local government are shown in light blue. The second column distinguishes in dark blue those elements of expenditure which are transactions with private sector, public corporations and abroad i.e. those expenditures appearing in the consolidated account of general government. The uncoloured blocks in the expenditure columns represent flows within general government. In particular, grants and loans to local authorities are excluded from general government expenditure because the expenditure they finance is already counted. Chart 1 also shows the operating transactions of public corporations—and other transactions, including their borrowing requirement (PCBR). This, together with the borrowing requirements of central government on own account (CGBR(O)) and of local authorities (LABR) sums to the PSBR.

General government expenditure has the broadest coverage of these three totals mentioned above but wider still is expenditure of the consolidated public sector. For the years up to 1977 the aggregate used for control purposes in the annual expenditure planning exercises (known as PESC) was closely based on the latter concept, and was the origin of the expression '*public* expenditure'. To avoid over-complication, this is not highlighted in Chart 1, but it consisted of:

Current and capital expenditure by central and local (i.e. general) government
Capital expenditure by public corporations
Debt interest paid by general government and the public corporations to other sectors.

Capital expenditure was defined to include net lending. To avoid double counting, central government grants and loans to local authorities and the public corporations were excluded. The operating expenses of public corporations were also excluded[6]. In the public sector accounts, public corporations' operating expenses are netted off trading revenue and subsidies[7]. The resulting net balance, the gross trading surplus, is recorded on the income side of the account[8].

But from the mid-1970s there was a change in emphasis from control of physical resources towards financial control. The main effect of this on the definition was to exclude, from 1977, the capital expenditure of nearly all [9] public corporations and replace it by government finance to them in the form of grants and loans. The CSO stopped producing consolidated public sector current and capital accounts which brigaded together the transactions of general government and public corporations[10]. They had been compiled mainly to reflect the administrative definitions of the public expenditure control system then current and were not required for economic analysis.

Attention then switched towards the **general government expenditure** aggregate, a concept which has always been favoured in international comparisons because it was less affected by institutional differences between countries. (General government expenditure was later included as an important aggregate in the first Medium Term Financial Strategy (MTFS) when it was launched in March 1980[11];)

In parallel, from the January 1977 Public Expenditure White Paper (PEWP) onwards, the aggregate used by the Treasury for control purposes was brought quite closely into line with the concept of general government expenditure—although for continuity the control aggregate continued to be known as *public* expenditure and, since 1979, the **'public expenditure planning total'**. Although akin to the national accounts general government aggregate there are a number of differences—the treatment of debt interest is the most important—which have varied over the years as the definition of the planning total has varied in keeping with the exigencies of control—and (less often) when the CSO has changed the definition of general government expenditure. The details are set out elsewhere[12]. But one point worth mentioning here is that from 1978, in order to cover *all* external finance of public corporations, their net market and overseas borrowing[13] has been added to the planning total, thus introducing into an 'expenditure' aggregate, transactions which national accountants regard as receipts, and moreover, financing the borrowing requirement. This was a marked departure from previous statistical practice but nevertheless an essential completion of the method of controlling public corporations' external finance within the planning total, a

[4] A table showing the costs of Inland Revenue tax allowances and reliefs is included in the Public Expenditure White Paper (*Government's Expenditure Plans 1985–86 to 1987–88* volume 2) Table 2.18 in Cmnd. 9428–II (HMSO) (Price £15.00 net)

[5] The numbers are taken mainly from FSBR Table 6.5

[6] These are regarded as intermediate consumption and excluded from GDP

[7] The numbers used to construct the public corporations columns in Chart 1 are provisional

[8] The same treatment is given to government trading activities; but their separate income and expenditure transactions on operating account are excluded from Chart 1. By far the biggest example is the housing revenue account of local authorities

[9] So called List III public corporations are the exception, see Cmnd. 9428–II—page 296

[10] See 'Government Income and Expenditure in the national income accounts: a change of presentation': *Economic Trends No 281* March 1977 (HMSO). Because of the close integration of public corporation and government financing, and the consequent interest in the PSBR rather than the GGBR, a consolidated public sector financial transactions account continues to be published by the CSO

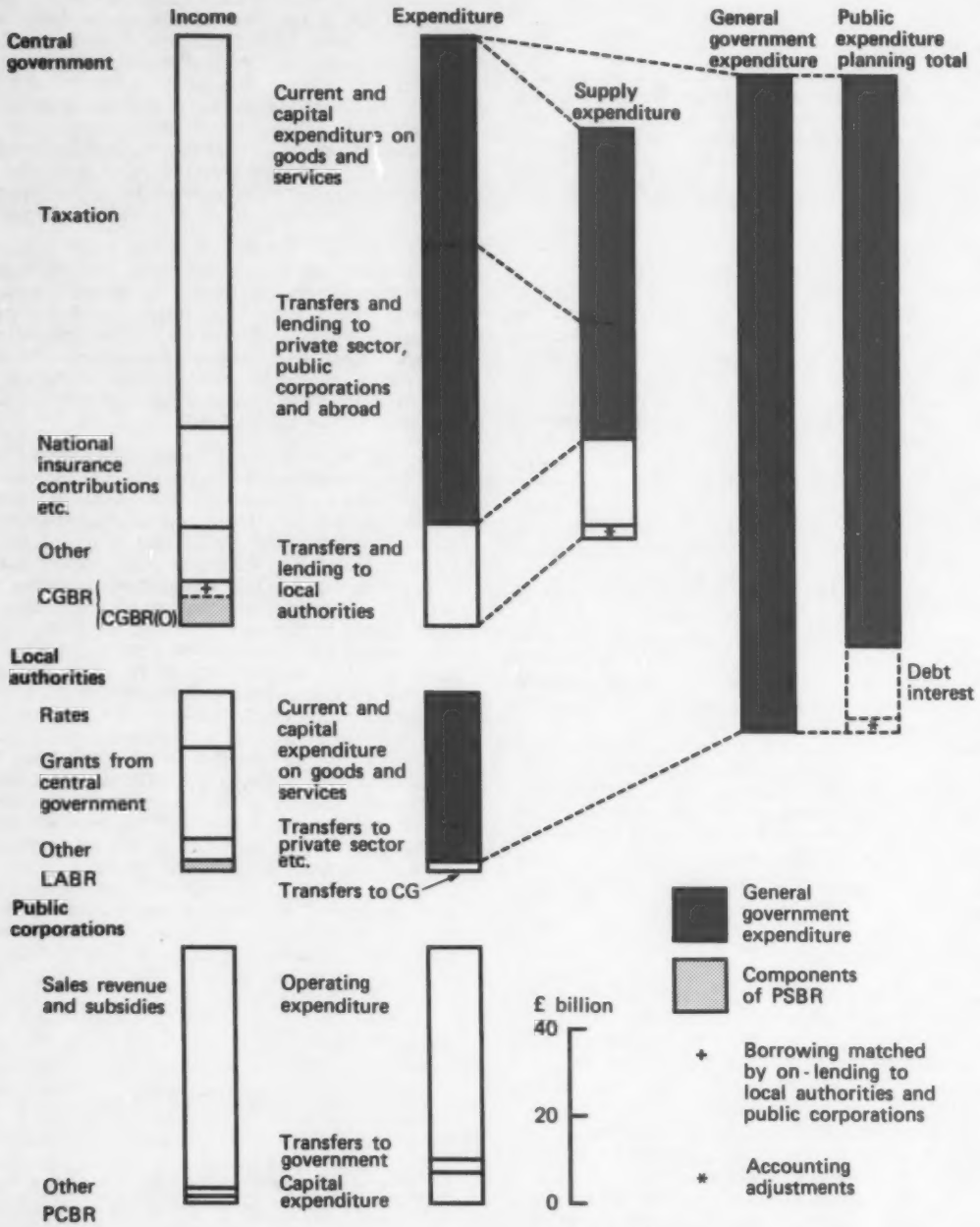
[11] *Financial Statement and Budget Report 1980–81* (HMSO 1980) Table 6

[12] The current list of differences is given on page 298 of Cmnd. 9428–II and quantified in Table 2.16

[13] The planning total also includes the capital value of certain leasing transactions

CHART 1

Expenditure and other public sector transactions: 1984-85



system that eventually became known for nationalised industries as external financing limits (EFLs).

Any review of expenditure aggregates must include a discussion of **Supply expenditure**. This is expenditure by central government that is submitted to Parliament in Supply Estimates for their approval. It forms an integral part of the central government 'Exchequer Accounts', a system which predates the national accounting system by centuries. The Exchequer Accounts are very different, not just in form, but in their very nature and purpose, from the economic analyses used in national accounting[14]. Reconciliations between the two systems are very complicated and the Exchequer Accounts are shown entirely separately from the national accounts tables in the FSBR. The only important common link is the central government borrowing requirement (CGBR)—a number which, recently, has somewhat lost its significance in favour of central government own account borrowing (CGBR(O)), a concept more meaningful in the context of the PSBR analysis.

The complex link between Supply expenditure and the planning total has been explained in the new Estimates Summary and Guide[15]. Chart 1 in this article shows the numerical relationship with national accounts aggregates in broad terms. Supply expenditure does not cover all central government expenditure as measured by the national accounts (the biggest exclusion being expenditure by the National Insurance Fund (NIF), which at around £22 billion accounts for well over half of social security spending, the biggest spending programme); on the other hand Supply expenditure is net of some receipts (primarily 'appropriations in aid') which the national accounts record on the income side of the account (the main example is national health contributions, which totalled about £2 billion in 1984–85).

Nevertheless, there is a considerable overlap between Supply expenditure and the planning total —the common element accounts for just over one-half of the planning total and about three-quarters of Supply expenditure. Supply expenditure includes virtually all central government spending on goods and services but less than half the transfers to the private sector and abroad; the major omissions amongst the transfers are NIF benefit expenditure and debt interest payments (which are covered elsewhere in the Exchequer accounts). Supply expenditure also includes grants to local authorities, which are excluded from general government expenditure and also some transactions which do not score as central government expenditure in the national accounts. These 'accounting adjustments' are either intra-central government transactions or are receipts which are regarded as income in the national accounts. To improve the read-across to other statistics, work is now being done to modify the presentation of Supply expenditure, particularly the treatment of receipts, in a way which brings net Supply votes closer to the corresponding elements in the planning total and national accounts. Moves of this kind are particularly important for work on in-year monitoring and short-term forecasting and will help users of the documents concerned. The very detailed and timely information available in the format of Exchequer accounts provides a wealth of material that can be converted into the format of the national accounts for use in economic and financial analysis.

Tables in the FSBR provide the information necessary to derive figures of each of the spending aggregates mentioned above. In the March 1985 issue, Table 6.5, which covers the whole public sector, gives the most detail and, for the years covered, provides the source material for several other tables—nos 2.2 to 2.4 and 6.1 to 6.4. Section 5 was introduced in 1984 and is solely devoted to public expenditure. Table 5.3, on Supply expenditure, provides input to Exchequer Accounts Tables 6.5 to 6.9 and, in the most recent FSBR, included information on the planning total element of Supply expenditure for the outturn year. Table 5.2 is a slightly more detailed version of the key MTFS Table 2.2, linking the planning total and general government expenditure. The link is shown rather more explicitly in Table 5.4—an income and expenditure account which brings together features from the Exchequer Account (the taxation analysis) and the PEWP (the spending authority and programme analysis)—but is presented in the MTFS 'general government' framework. This table has become widely appreciated as a form of presentation and often is the basis of diagrams of the make-up of public income and expenditure[16].

Chart 2 plots a historical series for all four spending aggregates mentioned above, expressed in real terms (deflated by the market price GDP deflator). Although of different coverage, the lines move remarkably closely in step over time; they all show the mid-1970s peak and the fall-back in 1976 when extensive cuts were made in many public expenditure plans. Since 1978-79, the average yearly growth in public spending has been slightly less than in the preceding 16 years.

Public spending and GDP

The national accounts system provides for three ways of estimating GDP. The 'expenditure' measure (GDP(E)) measures the total of 'final' expenditure on goods and services including exports (less the cost of imports) and as such includes general government expenditure on goods and services (but not transfers) and public corporations' capital spending. General government absorbs about 24 per cent of GDP and public corporations' capital expenditure another 2 per cent.

Public spending is often expressed as a percentage of GDP. This statistic uses GDP as a measuring rod against which to judge trends in *total* public/government spending—i.e. including transfer payments such as grants and loans which transfer spending power from one group of people to another and are not included in GDP. This number has its limitations and pitfalls; it is sometimes wrongly taken to represent the share of GDP 'consumed' by government or by the public sector (the appropriate numbers for that concept are found in the previous paragraph). Nevertheless it provides a useful benchmark against which to view spending totals expressed in cash; it both compares growth in government spending with growth in the economy and is an indicator of the amount of money flowing through government channels.

Before 1977 the numerator used in this percentage was expenditure of the consolidated public sector. This

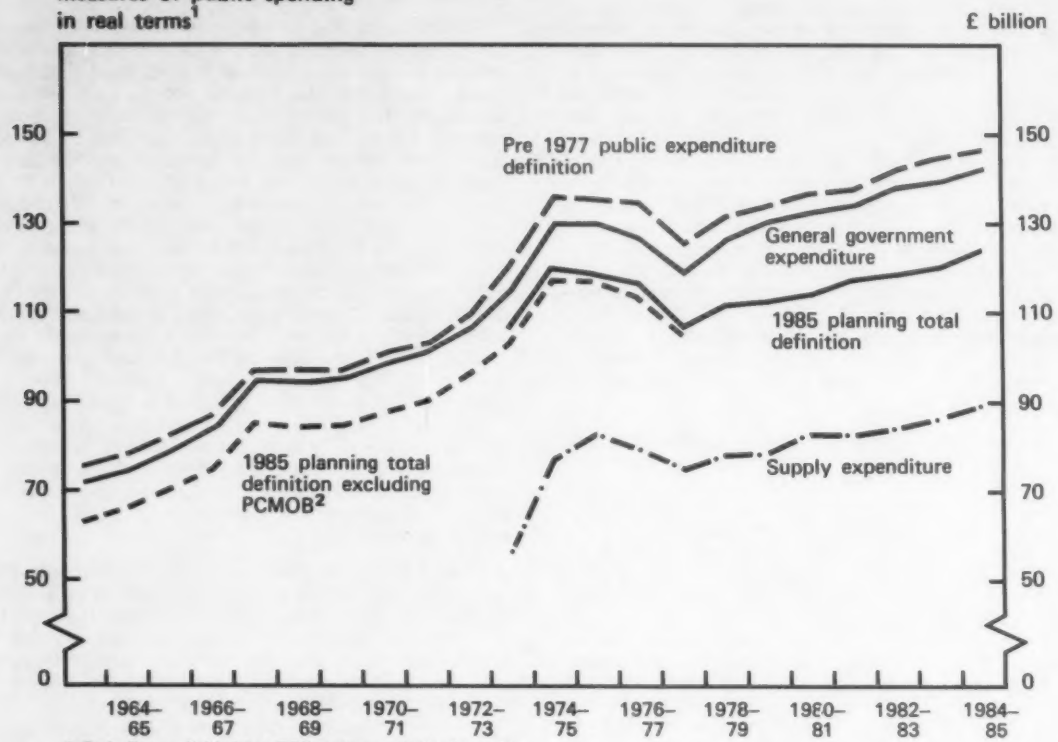
[14] An account of the current system of Exchequer Accounts is given in *Reform of the Exchequer Accounts* Cmnd. 2014 (HMSO, May 1963, reprinted 1968)

[15] *Supply estimates 1985–86 Summary and Guide* Cmnd. 9450, (HMSO, March 1985) (Price £7.00 net) see Chart 1 especially

[16] For example, see *Economic Progress Report*, May 1985, page 9

CHART 2

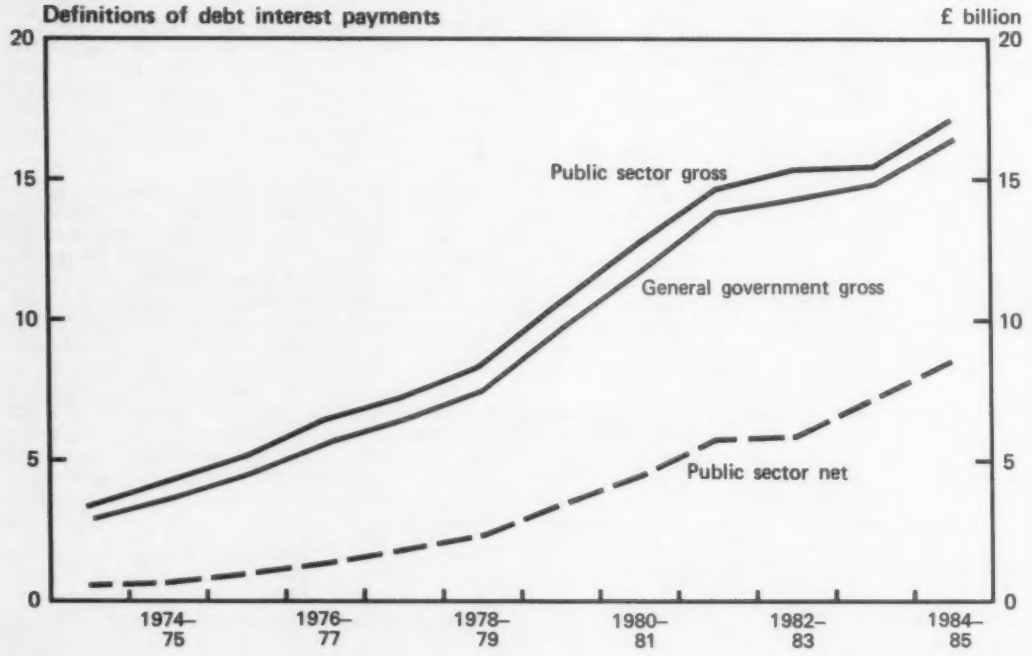
Measures of public spending in real terms[1]



1 Cash figure divided by GDP deflator, 1983-84 = 100
2 Public corporations market and overseas borrowing

CHART 3

Definitions of debt interest payments



was based on a definition which was far out of line with that used in international comparisons. A new but still internationally unique definition was formulated in 1977 for the purpose of calculating this percentage. It consisted of expenditure on programmes plus

—net debt interest

—an allowance for the consumption of capital assets by non-trading government services

—(from 1982) the VAT paid by local authorities but repaid to them.

The last two items are not included in the planning total (local authority payments of VAT were excluded from 1982) but they are included in GDP and in the national account definitions of general government expenditure. Debt interest apart, these are two of the largest adjustments needed to move from the current definition of the planning total to the national accounts definition of general government expenditure.

The concept of net debt interest was introduced to highlight what was described as 'deadweight' interest i.e. debt interest which is ' . . . . . not financed by interest receipts or by funds made available from trading surpluses . . . .'[17] and is therefore a charge on taxation and further borrowing. Although excluded from the newly labelled 'planning total' in 1979, both the gross and net debt interest figures continued to be published in White Papers as memorandum items on the original 1977 definition and were used, with the other two adjustments mentioned above, to express public spending as a percentage of GDP in the PEWP, the Autumn Statement and FSBR.

This particular definition has in recent times become rather less prominent.The adoption of general government accounts in the MTFS has focused attention on the general government expenditure aggregate and its relationship to general government receipts and to GDP. The percentage of general government expenditure to GDP was used in the 1984 Green Paper on long-term spending trends[18]. It was also used in the most recent FSBR[19], as well as the traditional definition. The concept of net debt interest has never attracted particular interest for the purpose of economic analysis; attention instead has been concentrated on measuring taxation and borrowing direct rather than indirectly through some measure of expenditure.

There is some foundation in the criticism sometimes expressed concerning the multiplicity of public expenditure definitions. If the number of these definitions were for the sake of simplicity and clarity, to be reduced, a prime candidate for demotion might—given the switch in interest noted above to the general government aggregate—be the numerator of the definition of the public expenditure/GDP statistic used since 1977. Bearing in mind the emphasis on general government expenditure, the current practice of showing *public sector* debt interest payments in the PEWP might also be reconsidered. A switch to general government interest payments would be in line with the presentation of debt interest in the Autumn Statement and FSBR. In any case, the magnitudes and trends in public sector and general government gross debt interest are very similar—as can be seen from Chart 3 which plots the historical series, as well as net debt interest.

Chart 4 plots the four definitions of public expenditure mentioned above as a percentage of GDP at market prices. As with Chart 2, they move broadly together, all showing the small peak in 1967–68 and the much bigger peak in the mid-1970s. The peaks, which are also affected by the economic cycle, are rather less marked in the line representing general government's true 'share' of GDP—i.e. the consumption of goods and services. Chart 4a supplements Chart 4, with a stretched scale for clarity, shows the main steps needed to move from the planning total to the numerator of the current PEWP definition, and from the latter to the general government definition.

Chart 5 takes the general government expenditure line from Chart 4 and shows its financing components, again expressed as a percentage of GDP. The components shown are the same as those in the MTFS tables in the FSBR. The borrowing proportion has fluctuated most widely over time. The borrowing requirement was slightly negative in 1969–70 but widened to between 8 and 9 per cent of GDP only five to six years later to support the high rate of spending at that time. Since then the proportion financed by borrowing has decreased gradually, and taxation and national insurance contributions have accounted for a growing share.

In-year monitoring

The various spending totals mentioned above are most commonly presented in terms of twelve-month periods—mainly financial years in Treasury documents (although the CSO often show calendar years as well). However, it is necessary to track expenditure during the year. The national accounts are published quarterly, with the appropriate elements of the public sector accounts available about one month ahead of full accounts for the economy as a whole. Thus the first estimate of general government expenditure in the first quarter of the financial year is published by the CSO at the end of September. This delay reflects the time taken for statistics to arrive, particularly for local authorities which even then are incomplete and subject to revision. In co-operation with the Treasury the CSO derives an estimate of the quarterly planning total in *Financial Statistics* Table 2.4. After the end of each financial year these figures are compared and, as far as possible, reconciled with the Treasury's public expenditure database and the results are published in *Financial Statistics* Table S12 in the Autumn.

More timely and reliable information is available on the narrower Supply expenditure aggregate, derived from the APEX returns processed by the Paymaster General's Office[20] and used to compile quarterly accounts for the central government sector in the national accounts. They form a vital part of internal monitoring and short-term forecasting of central government expenditure. Although monthly Supply expenditure figures are not yet published, a rough proxy is available in the monthly Exchequer Accounts[21]; the figures described as Supply Services represent *issues*

[17] *Thirteenth Report of the Expenditure Committee* (HMSO, November 1976)

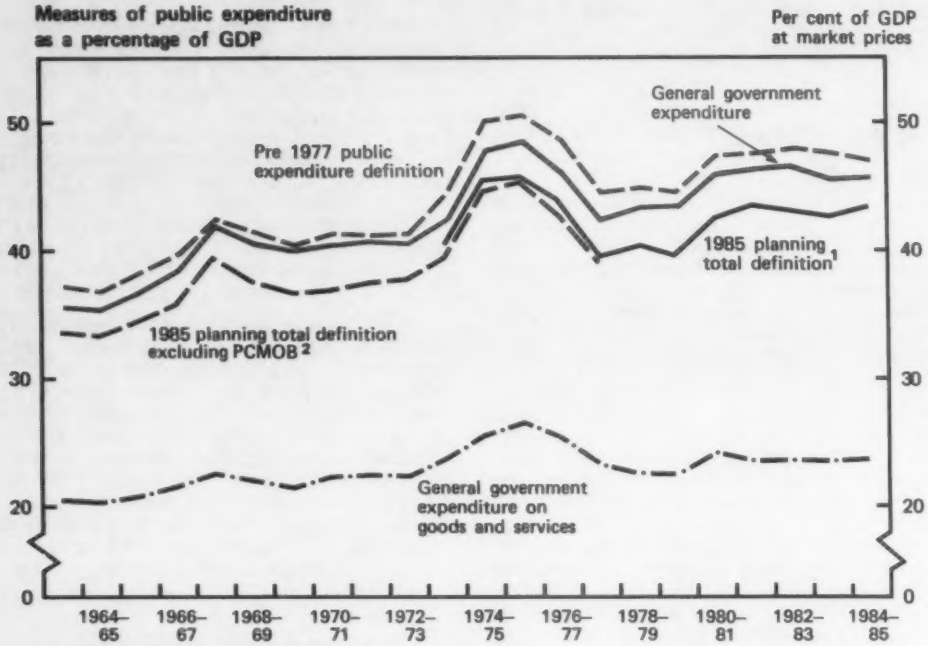
[18] *The Next Ten Years: Public Expenditure and Taxation into the 1990s* Cmnd. 9189 (HMSO) (Price £4.55 net)

[19] *Financial Statement and Budget Report 1985–86* (HMSO, March 1985) (Price £5.35 net) paragraph 2.18

[20] The origin of the APEX system is described in the 'Treasury Financial Information System': Dr K Aldred. *Management Services in Government*, 1979, vol 34, no 2, pages 93–95

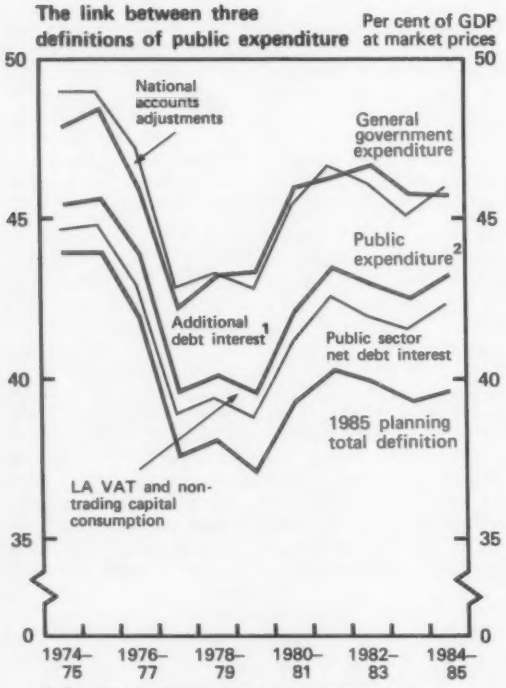
[21] Table 2 of the monthly press notice on the PSBR; also shown as Table 3.12 of *Financial Statistics* (HMSO monthly) (Price £7.95 net)

CHART 4



1 As defined for the public expenditure/GDP percentage in the 1985 PEWP
2 Public corporations market and overseas borrowing

CHART 4A

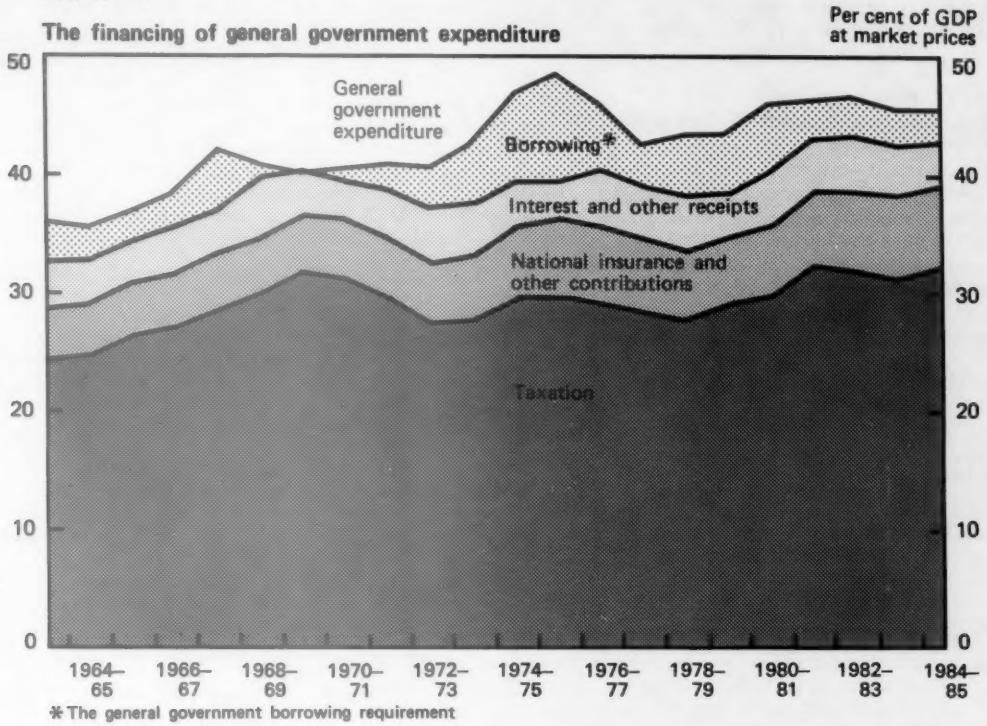


1 General government gross less public sector net
2 As defined for the public expenditure/GDP percentage in the 1985 PEWP

from the Consolidated Fund into departmental balances for Departments to finance their Supply expenditure. Sharp upward and downward movements in these balances mean that for individual months—or even over a cumulation of months—issues are not necessarily a good guide to expenditure, although they tend to equal out over the year as a whole. Supply expenditure for the first half of the year is published with a Summary of Winter Supplementary Estimates known as the note by the Financial Secretary to the Treasury, usually in November. These estimates are based on Departmental returns rather than APEX.

In the latter half of each year successive forecasts of the outturn of spending for that year are published, in the context of plans and expectations for future years. First, in the Autumn Statement, the latest estimate is given for general government expenditure and in recent years, besides repeating updated plans for the current year, it has been the practice to release a rounded estimate of the expected outturn on the planning total. These estimates are based on information becoming available during September and October.

CHART 5



Second, detailed Departmental estimates of the planning total outturn in considerable detail are collected during early December for eventual publication in the PEWP in late January/early February, sometimes supplemented by a global adjustment for 'longfall' or 'shortfall' made by the Treasury based on later information or representing a correction for any suspected bias in the figures. The nature of this allowance means that it cannot be allocated to the thousands of individual cells in the PEWP.

Finally, figures of general government expenditure and a new estimate of the planning total are published in the FSBR on Budget Day which, in recent years, has occurred two or three weeks before the end of the financial year. For central government expenditure the outturn estimates have traditionally been based heavily on information emanating from the administrative preparation of Supply Estimates for the coming year. However, these figures are collected rather too far in advance of March, a month in which a high proportion of spending is usually concentrated and for which a forecasting error can have a disproportionate effect on the figure for the year as a whole (March spend is usually about 40 to 50 per cent higher than the average of the preceding five months). In the last two years the information system has been supplemented by statistical returns sent in by all Departments in mid-February (and subject to amendment until about the end of February) on their expected spend up to the end of the year. So far, these have improved the forecasts of central government expenditure for the outturn year in the FSBR. Monthly outturn information is not available for local authority expenditure and the quarterly figures are incomplete and slow to arrive. Therefore the local authority 'outturn' figures in the FSBR contain a sizeable forecast element.

Monitoring of the planning total throughout the year has been systematised over the last year or so, in keeping with the enhanced role of the Reserve which now meets all overspending (and underspending) on planning total expenditure and no longer caters only for unexpected contingencies and discretionary increases in spending. All current data are brought to bear in monitoring assessments. There are nevertheless areas

where improvements are still needed both to benefit the monitoring of expenditure *per se* and provide a vital contribution towards PSBR monitoring.

Analyses of public spending

Public expenditure can be sub-divided in several ways, for particular purposes:

—by function—the purpose of spending;

—by economic category—e.g. current expenditure on goods and services, transfers (subsidies, grants, interest payments, loans, etc);

—by spending authority—the tier or level of government and control system;

—by the Department responsible for the expenditure;

—by the territory in which it is spent (England, Scotland, Wales and Northern Ireland) as far as this can be identified

The planning total can be analysed in all five ways and there are also cross-analyses (e.g. by economic category and spending authority).

The first three have been used in Public Expenditure White Papers. The main emphasis up until now has been on the *functional* analysis used to define 'programmes' although since the 1981 PEWP the functional breakdown has been complicated by the inclusion of Departmental blocks of expenditure which are the responsibilities of the respective Secretaries of State for Wales and Scotland, each covering expenditure on a number of functions (and Northern Ireland before then). Table 2.5 of Cmnd. 9428 reallocates this expenditure to main programmes, thus restoring the full functional analysis.

The *economic categorisation* of the planning total is important for displaying the composition of current spending but the post-1977 definition yields a figure of capital spending which is not meaningful in the context of many of the purposes to which it has been put. The post-1977 definition reflects an interest in financial control but most interest in capital spending is directed towards the production or consumption of physical resources. To indicate the value of work going to the construction and capital goods industries more accurately, a new measure has been featured in the PEWP since 1984[22]. This modifies and augments economic categories included in the planning total and, in respect of defence spending, the national accounts. Chart J and Table K of the Annex show statistics on this basis, including some estimates for earlier years which have not been published before.

A *Departmental* analysis of the planning total forms the basis of negotiation during each expenditure planning round, and the first results of the outcome, are published in the Autumn Statement analysed by Department, with nationalised industry EFLs separately identified. However, the full detail of the new plans is followed up in the PEWP by the hybrid functional/territorial analysis mentioned above, rather than spending Department. In the next PEWP this will change and the Departmental analysis of the Autumn Statement will be carried through to the PEWP[23] with a supporting functional analysis, itself improved by the removal of the territorial Department complication.

Spending authority analyses of the planning total (e.g. Cmnd. 9428, Table 1.10) are not quite what they seem in the case of nationalised industries and other public corporations controlled through EFLs, where they are shown as the body receiving the money rather than the body spending it (which, in the case of EFL finance, is central government in most cases). Spending authority analyses also include, where possible, a breakdown into the various control systems and, within central government, it is possible to distinguish expenditure which counts as Supply, thus forging a link between the PEWP and Supply Estimates for the year ahead.

The PEWP published in January this year (Cmnd. 9428) sets out the Government's spending plans for the next three years. It also included outturn data for the period 1979–80 to 1984–85. One of the difficulties of analysing data on public expenditure over a longer period is that the definition of public expenditure, and its components, has changed in successive White Papers. In each White Paper there is a section of explanatory and technical notes explaining how the definitions differ from those used in its predecessor, but a strict comparison over a longer period is not easy. The November 1983 article mentioned earlier also described past trends in public expenditure on a number of different definitions but gave prominence to the planning total definitions used in the 1983 White Paper (Cmnd. 8789). The tables in the Annex update some of those analyses by bringing the data onto the definition of the planning total used in the 1985 White Paper (Cmnd. 9428). As mentioned above, the Annex also includes the historical figures of supplementary analyses of capital spending.

Territorial analyses of the latest outturns are not ready in time for the PEWP and are published in Hansard at a later date[24]. These analyses add to the expenditure of the respective territorial Secretaries of State the spending in territories in the remaining 'programmes', as far as this can be identified.

The main breakdowns of general government expenditure in the national accounts are by economic categories and spending authorities. Departmental analyses have no part to play in national accounts. A functional analysis based on a former Treasury definition is published annually in the Blue Book (Table 9.4). In the next Blue Book the CSO intend to replace this analysis with one based on the 'classification of the functions of government' (COFOG)—a system now adopted by most international organisations for the purposes of international comparisons. The CSO publication *Regional Trends* contains regional and territorial analyses of public sector fixed capital formation on a national accounts basis.

Tailpiece

The purpose of this article has been to describe the main definitions and presentations of public spending used in official statistics. These are generally known to specialist commentators on public finance but I hope the occasional user of these statistics will have found something useful in the article.

[22] Tables 1.13 and 2.9 of Cmnd. 9428

[23] Memorandum by HM Treasury published with the Tenth Report from the Treasury and Civil Service Committee, 1984–85. (HC 544).

[24] Those for 1983–84 outturns were published in the Official Report on 22 February 1985, Volume 73 No 67 (HMSO) (Price £1.95 net) cols 608–610

ANNEX:

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Commentary

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General note: the figures used in the tables and charts are those available in February and March of this year and used to prepare the *Financial Statement and Budget Report 1985–86.*

COMMENTARY

The length of each bar in **Chart F** shows the percentage change in programmes over the 11 years 1973–74 to 1984–85, expressed in real terms and derived from the cash figures shown in **Table G**. The width of each bar is proportional to expenditure in 1973–74. The planning total as a whole has increased by 17 per cent over that period (the increase has been far from steady, with oscillations in the last half of the 1970s, as is seen in Chart 2). The major contributor to that growth has been the social security programme, with notable contributions from the law and order, health and defence programmes. The large reduction in the housing programme mainly reflects receipts from sales of council houses during the latter part of the period of comparison, which are recorded as offsets against expenditure.

Chart H shows trends in general government current expenditure since 1973–74 in real terms, derived from the cash figures in **Table I**. In total this has increased by 42 per cent over the period. By far the major cause has been grants to the private sector (i.e. mainly social security payments) which have increased by 71 per cent. Current expenditure on goods and services (other than wages and salaries) increased by 51 per cent and wages and salaries by 23 per cent. Expenditure on subsidies to trading activities has fallen slightly in real terms in recent years, although there was an increase in 1984–85, reflecting the costs of the coal strike.

Chart J illustrates trends in public sector capital spending since 1973–74 in real terms. It is based on the definition of capital spending introduced in the 1984 Public Expenditure White Paper (Cmnd. 9143) and is designed to give an indication of the value of work given to the construction and capital goods industries, although it excludes purchases of spares and most repair and maintenance work. It shows that capital spending fell from a peak in 1975–76 until 1978–79 and that thereafter it has remained broadly stable, although there was a slight trough in 1981–82 and a peak in 1983–84. The cash figures underlying this Chart are shown in **Table K** which gives a more detailed breakdown of the components. The figures before 1978–79 are less firmly based than for more recent years but sufficiently robust to give a broad indication of trends.

Measures of public spending (in cash)

TABLE A1

£ billion

	Pre-1977 public expenditure definition	General government expenditure	1985 planning total definition	1985 planning total excluding PCMOB[1]	Supply expenditure
1963–64	11.8	11.3	–	9.9	–
1964–65	12.8	12.2	–	10.8	–
1965–66	14.1	13.6	–	12.0	–
1966–67	15.6	15.0	–	13.3	–
1967–68	17.7	17.4	–	15.5	–
1968–69	18.7	18.2	–	16.1	–
1969–70	19.6	19.3	–	17.0	–
1970–71	22.1	21.6	–	19.1	–
1971–72	24.5	24.3	–	21.4	–
1972–73	28.1	27.6	–	24.8	–
1973–74	33.6	32.0	29.3	28.5	15.5
1974–75	44.9	42.8	39.4	38.6	25.5
1975–76	56.2	53.8	48.9	48.4	34.1
1976–77	63.3	59.6	54.5	53.2	37.0
1977–78	67.2	63.7	56.8	56.0	40.0
1978–79	77.7	74.8	65.8	65.3	45.7
1979–80	92.3	89.8	77.0	77.5	53.8
1980–81	111.7	108.4	92.7	93.3	67.6
1981–82	123.4	120.1	104.7	104.4	74.3
1982–83	136.3	132.6	113.4	114.6	80.6
1983–84	145.5	140.1	120.3	120.4	86.6
1984–85	153.6	149.5	129.7	128.7	93.8

[1] Public corporations market and overseas borrowing.

Measures of public spending (in real terms)[1]

TABLE A2

£ billion

	Pre-1977 public expenditure definition	General government expenditure	1985 planning total definition	1985 planning total definition excluding PCMOB[2]	Supply expenditure
1963–64	76.0	72.8	–	63.7	–
1964–65	78.7	75.3	–	66.5	–
1965–66	83.1	79.9	–	70.8	–
1966–67	87.8	84.7	–	75.1	–
1967–68	97.2	95.5	–	85.2	–
1968–69	97.6	95.1	–	84.3	–
1969–70	97.4	95.7	–	84.5	–
1970–71	101.2	98.9	–	87.5	–
1971–72	102.8	102.0	–	90.0	–
1972–73	109.3	107.4	–	96.4	–
1973–74	121.7	116.0	106.1	103.4	56.3
1974–75	136.3	130.1	119.5	117.2	77.7
1975–76	135.9	130.1	118.1	117.0	82.7
1976–77	135.1	127.2	116.3	113.6	79.3
1977–78	126.0	119.5	106.6	105.0	75.3
1978–79	131.9	126.9	111.7	110.9	78.0
1979–80	134.6	131.0	112.3	112.9	78.5
1980–81	137.3	133.2	113.9	114.7	83.1
1981–82	138.0	134.3	117.0	116.7	83.0
1982–83	142.6	138.7	118.6	119.9	84.3
1983–84	145.5	140.1	120.3	120.4	86.6
1984–85	147.0	143.1	124.2	123.3	89.8

[1] Cash figures divided by GDP deflator, 1983–84 = 100
[2] Public corporations market and overseas borrowing

Definitions of debt interest payments (cash)

TABLE B

£ billion

	Public sector gross	General government gross	Public sector net
1973-74	3.3	3.0	0.5
1974-75	4.2	3.7	0.6
1975-76	5.1	4.6	0.9
1976-77	6.4	5.7	1.3
1977-78	7.2	6.5	1.8
1978-79	8.3	7.6	2.3
1979-80	10.5	9.8	3.4
1980-81	12.6	11.8	4.4
1981-82	14.6	13.9	5.7
1982-83	15.3	14.4	5.8
1983-84	15.4	14.9	7.1
1984-85	17.0	16.5	8.5

Measures of public expenditure as a percentage of GDP

TABLE C

percentage of GDP

	Pre-1977 public expenditure definition	General government expenditure	1985 planning total definition[2]	1985 planning total definition excluding PCMOB[1,2]	General government expenditure on goods and services
1963-64	37.3	35.8	–	33.6	20.4
1964-65	37.0	35.4	–	33.4	20.2
1965-66	38.3	36.8	–	34.5	20.8
1966-67	39.8	38.4	–	35.9	21.7
1967-68	42.7	42.0	–	39.4	22.7
1968-69	41.6	40.6	–	37.7	22.0
1969-70	40.6	40.0	–	36.9	21.5
1970-71	41.3	40.3	–	37.0	22.2
1971-72	41.2	40.8	–	37.4	22.4
1972-73	41.4	40.7	–	37.8	22.3
1973-74	44.6	42.5	40.4	39.4	23.8
1974-75	50.1	47.9	45.5	44.6	25.6
1975-76	50.6	48.5	45.7	45.3	26.5
1976-77	48.8	46.0	43.9	42.9	25.4
1977-78	44.5	42.3	39.7	39.1	23.3
1978-79	45.0	43.3	40.2	40.0	22.6
1979-80	44.6	43.4	39.7	39.9	22.4
1980-81	47.4	46.0	42.2	42.5	24.0
1981-82	47.6	46.3	43.5	43.4	23.5
1982-83	48.0	46.7	43.0	43.5	23.7
1983-84	47.6	45.8	42.6	42.7	23.6
1984-85	47.0	45.8	43.3	43.0	23.8

[1] Public corporations market and overseas borrowing
[2] As defined for the public expenditure/GDP percentage in the 1985 PEWP.

The link between the three definitions of public expenditure

TABLE D

percentage of GDP

	General government expenditure	National accounts adjustments	Additional debt interest[1]	Public expenditure[2]	LA VAT and non-trading consumption	Public sector net debt interest	1985 planning total
1973-74	42.5	−1.2	3.3	40.4	0.8	0.7	38.9
1974-75	47.9	−1.1	3.5	45.5	0.8	0.7	44.0
1975-76	48.5	−0.5	3.3	45.7	0.9	0.8	44.0
1976-77	46.0	−1.3	3.4	43.9	0.9	1.0	42.0
1977-78	42.3	−0.5	3.1	39.7	0.8	1.2	37.7
1978-79	43.3	–	3.1	40.2	0.8	1.3	38.1
1979-80	43.4	0.6	3.1	39.7	0.9	1.6	37.2
1980-81	46.0	0.5	3.2	42.2	1.0	1.9	39.3
1981-82	46.3	−0.5	3.2	43.5	1.0	2.2	40.4
1982-83	46.7	0.6	3.1	43.0	1.0	2.0	40.0
1983-84	45.8	0.7	2.5	42.6	1.0	2.3	39.3
1984-85	45.8	−0.1	2.6	43.3	1.0	2.6	39.7

[1] General government gross less public sector net
[2] As defined for public expenditure/GDP percentage in the 1985 PEWP.

The financing of general government expenditure

TABLE E

percentage of GDP

	General government expenditure	GGBR[1]	Interest and dividends etc	Other receipts	National insurance and other contributions	Taxation
1963–64	35.5	3.2	1.3	2.5	4.3	24.5
1964–65	35.4	2.6	1.3	2.5	4.2	24.8
1965–66	36.8	2.5	1.4	2.0	4.7	26.2
1966–67	38.4	3.0	1.5	2.1	4.7	27.1
1967–68	42.0	5.0	1.6	2.3	4.8	28.3
1968–69	40.6	0.8	1.6	3.2	4.9	30.1
1969–70	40.0	−0.8	1.7	2.4	4.8	31.9
1970–71	40.3	1.0	1.7	1.4	5.0	31.2
1971–72	40.8	1.9	1.8	2.5	5.0	29.6
1972–73	40.7	3.6	1.8	3.0	5.1	27.2
1973–74	42.5	4.8	2.0	2.6	5.5	27.6
1974–75	47.9	8.2	2.1	2.0	6.0	29.6
1975–76	48.5	9.0	2.0	1.3	6.5	29.7
1976–77	46.0	5.6	1.9	2.7	6.8	29.0
1977–78	42.3	3.3	1.9	2.5	6.5	28.1
1978–79	43.3	5.2	1.7	2.7	5.9	27.8
1979–80	43.4	5.0	1.7	1.8	5.8	29.1
1980–81	46.0	5.8	1.7	2.6	6.1	29.8
1981–82	46.3	3.3	1.8	2.5	6.4	32.3
1982–83	46.7	3.6	1.9	2.7	6.6	31.9
1983–84	45.8	3.3	1.6	2.6	7.0	31.3
1984–85	45.8	2.9	3.9		6.9	32.1

[1] General government borrowing requirement.

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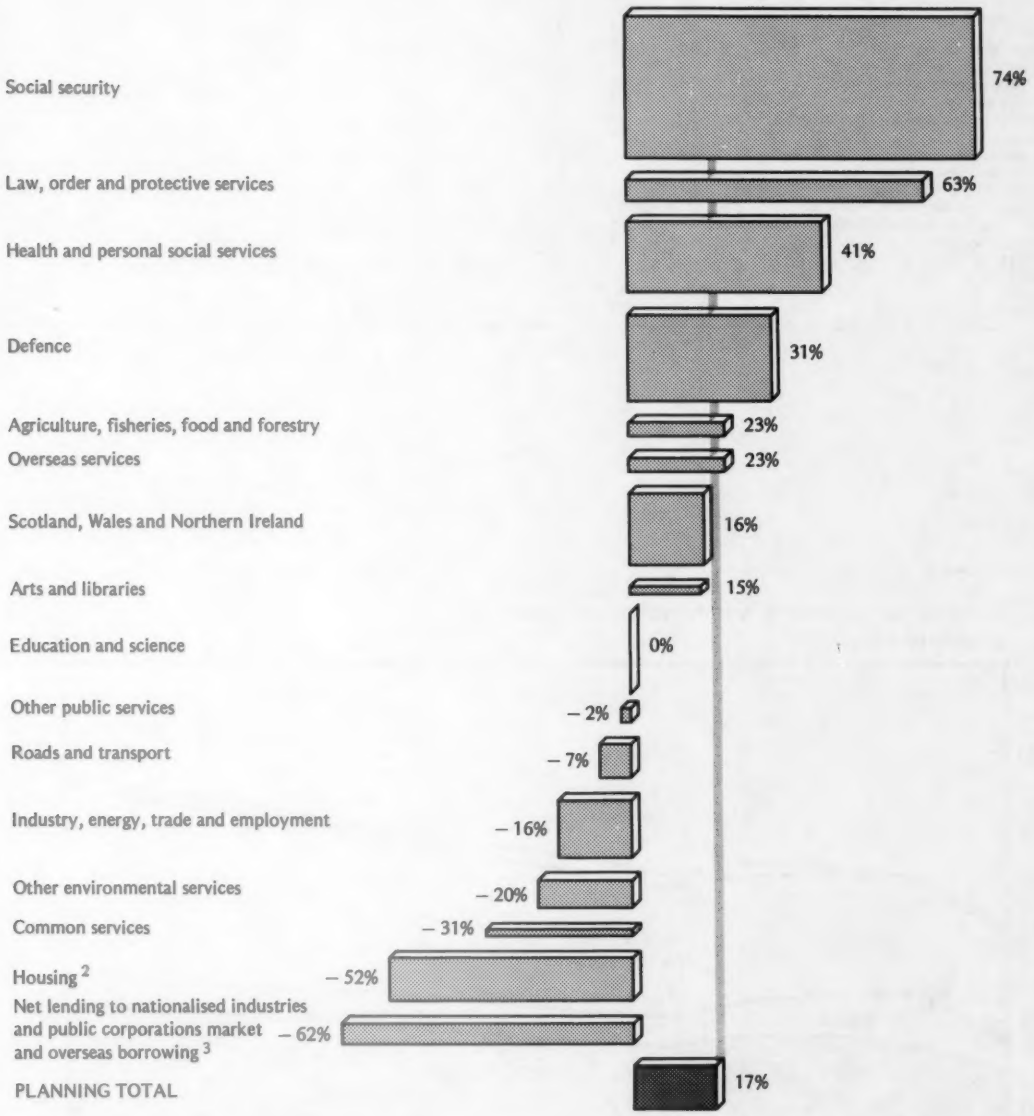
CHART F

Percentage change in programmes[1] between 1973-74 and 1984-85 in real terms



1. The width of each bar on the vertical axis is proportional to the expenditure on the programme in 1973-74.
2. The reduction on the housing programme partly reflects the large increase in capital receipts (for example, council house sales) over this period
3. In the 1985 White Paper borrowing by public corporations is included in programmes. It is not possible to do this for years prior to 1979-80, so to present a consistent series the figures have been excluded and are shown separately.

Public expenditure planning total by programme

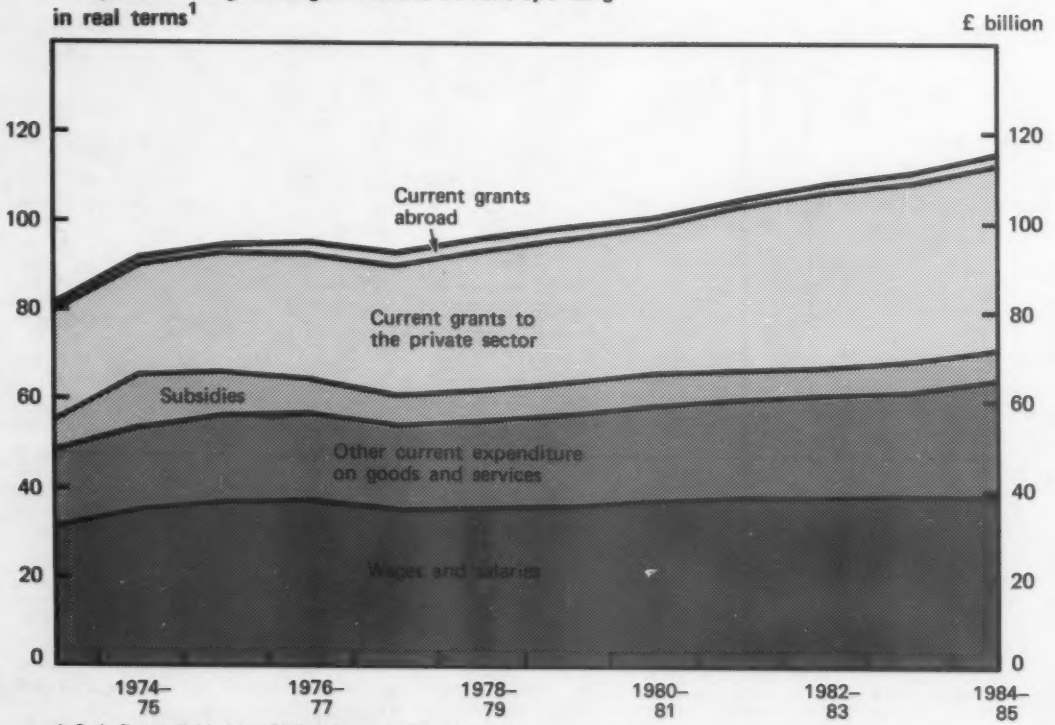
TABLE G

£ billion

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85
Defence	3.4	4.1	5.3	6.2	6.8	7.5	9.2	11.2	12.6	14.4	15.5	17.1
Overseas aid and other overseas services	0.6	0.7	0.7	1.0	1.5	1.8	2.0	1.6	1.6	2.2	2.6	2.8
Agriculture, fisheries, food and forestry	0.4	1.1	1.3	1.0	0.9	0.8	1.0	1.3	1.4	1.8	2.1	2.1
Industry, energy, trade and employment	2.3	2.9	3.0	3.1	2.2	2.6	2.8	3.9	5.2	5.7	5.7	7.3
Arts and libraries	0.1	0.2	0.2	0.3	0.3	0.3	0.4	0.5	0.5	0.6	0.6	0.6
Transport	1.3	1.9	2.4	2.4	2.4	2.7	3.0	3.5	4.0	4.5	4.7	4.7
Housing	1.8	3.3	3.3	3.7	3.4	3.6	4.5	4.5	3.1	2.7	3.1	3.3
Other environmental services	1.2	1.5	1.9	1.8	1.8	2.2	2.4	2.8	2.9	3.3	3.4	3.6
Law, order and protective services	0.8	1.1	1.5	1.7	1.8	2.0	2.6	3.2	3.8	4.2	4.6	5.3
Education and science	3.6	4.7	5.9	6.7	7.0	7.8	8.9	10.9	11.8	12.8	13.4	13.8
Health and personal social services	3.0	3.9	5.2	5.9	6.5	7.4	8.9	11.4	12.7	13.8	14.8	15.8
Social security	5.8	7.2	9.8	11.6	13.9	16.4	19.4	23.4	28.6	32.4	35.2	38.0
Other public services	0.5	0.6	0.9	0.9	0.9	1.0	1.2	1.5	1.6	1.7	1.7	1.8
Common services	0.4	0.4	0.6	0.7	0.8	0.9	1.0	1.1	1.4	1.6	0.9	1.0
Scotland, Wales, N Ireland	3.1	4.1	5.3	5.9	6.3	7.3	8.6	10.3	11.2	12.0	12.8	13.4
Net lending to nationalised industries and public corporations' market and overseas borrowing	1.0	1.4	1.5	1.5	0.7	1.4	1.9	2.0	2.1	0.2	0.4	1.4
ADJUSTMENTS												
Special sales of assets					−0.5		−1.0	−0.4		−0.5	−1.1	−2.1
Planning total	29.3	39.4	48.9	54.5	56.8	65.8	77.0	92.7	104.7	113.4	120.3	129.7

CHART H

Composition of general government current spending in real terms[1]



1 Cash figure divided by GDP deflator, 1983-84 = 100

Composition of general government current spending

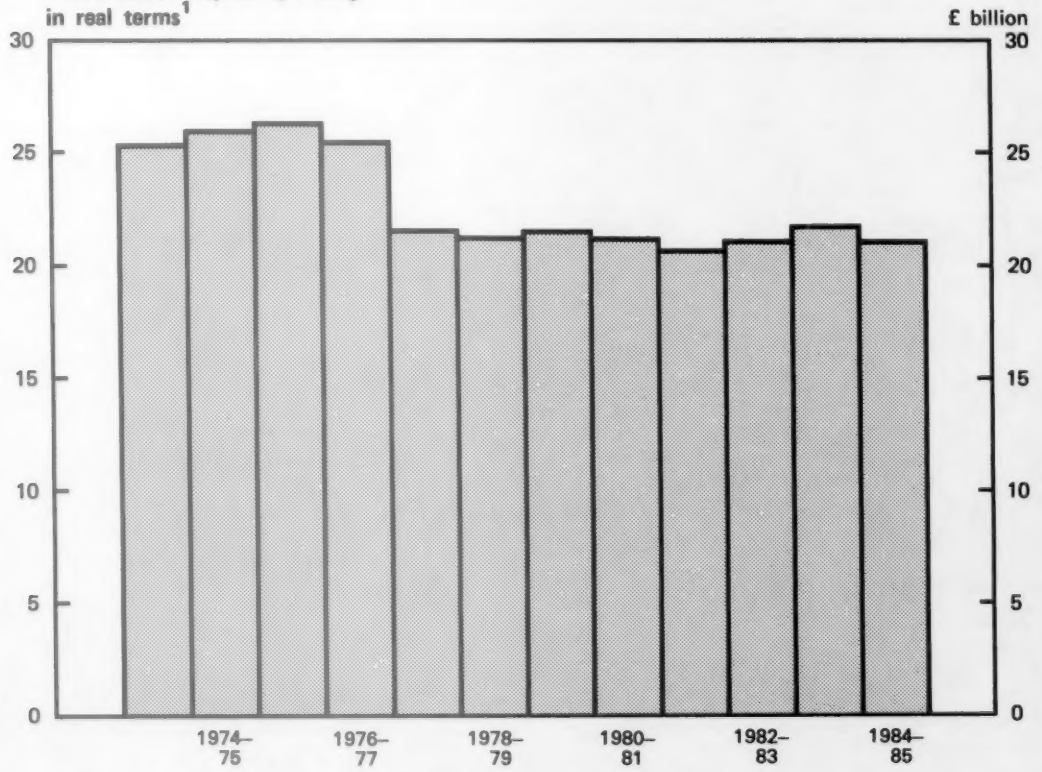
TABLE I

£ billion

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85
Pay	8.6	11.7	15.3	17.4	18.6	20.8	24.7	30.7	34.2	36.5	38.8	40.2
Other current expenditure on goods and services	4.7	6.0	8.0	9.0	10.2	11.6	14.2	16.8	19.5	22.2	23.8	27.1
Subsidies	2.0	3.8	4.1	3.7	3.5	4.0	4.9	6.0	6.0	6.1	6.3	7.3
Current grants to the private sector	6.6	8.3	11.2	13.2	15.8	18.5	22.1	27.1	32.8	37.2	40.1	42.9
Current grants abroad	0.3	0.3	0.4	0.8	1.2	1.6	1.8	1.3	1.3	1.8	2.2	2.2
TOTAL	22.3	30.1	39.0	44.2	49.4	56.6	67.7	82.0	93.8	103.8	111.1	119.9

CHART J

Public sector capital spending in real terms[1]



1 Cash figure divided by GDP deflator, 1983 - 1984 = 100

Public sector capital spending[1]

TABLE K

£ billion

	1973–74	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80	1980–81	1981–82	1982–83	1983–84	1984–85
Goods and services												
General government[2]												
Defence	0.8	0.9	1.2	1.5	1.7	1.8	2.4	3.2	3.7	4.2	4.7	5.5
Other	3.4	4.0	5.3	5.4	5.0	5.2	6.3	7.0	6.7	7.8	8.0	8.1
Total general government	4.2	5.0	6.5	6.9	6.7	7.1	8.7	10.1	10.5	11.9	12.7	13.6
Public corporations including nationalised industries	2.1	3.0	4.0	4.1	4.3	4.7	5.5	6.4	6.9	6.9	7.5	6.5
Total goods and services	6.3	8.0	10.5	11.0	11.0	11.8	14.2	16.5	17.3	18.8	20.2	20.0
Capital grants to the private sector	0.8	0.9	0.9	1.2	1.3	1.6	1.6	2.0	2.0	2.6	3.5	3.3
Total goods and services plus capital grants to the private sector	7.1	8.9	11.4	12.2	12.3	13.3	15.9	18.5	19.4	21.4	23.6	23.3
Real terms (base year 1983–84)	25.7	27.0	27.6	26.0	23.1	22.6	23.1	22.6	21.6	22.4	23.6	22.3

[1] The definition and coverage of capital spending used in this table is the same as in Tables 1.13 and 2.9 of the most recent Public Expenditure White Paper (Cmnd. 9428) except that it *includes* those nationalised industries which have been, or are being, privatised.
[2] Includes List III public corporations.

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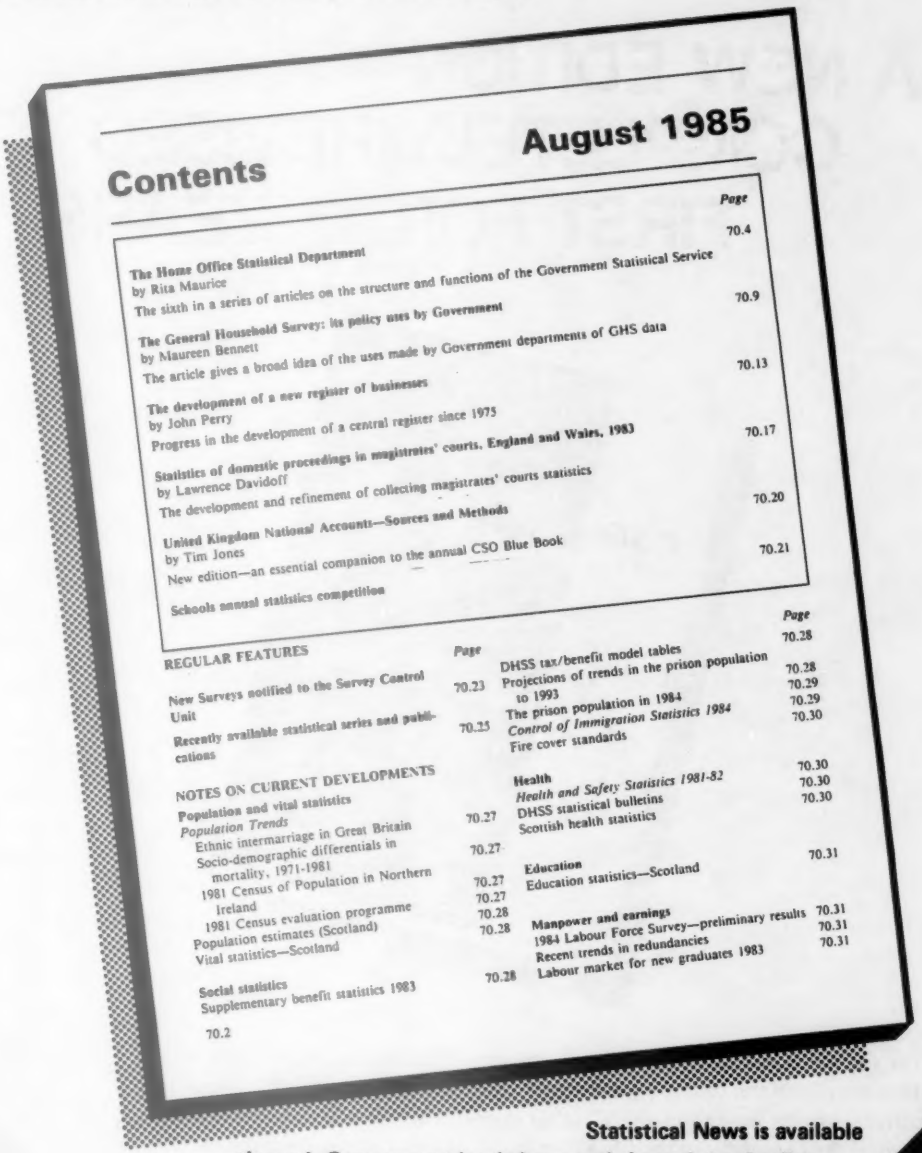

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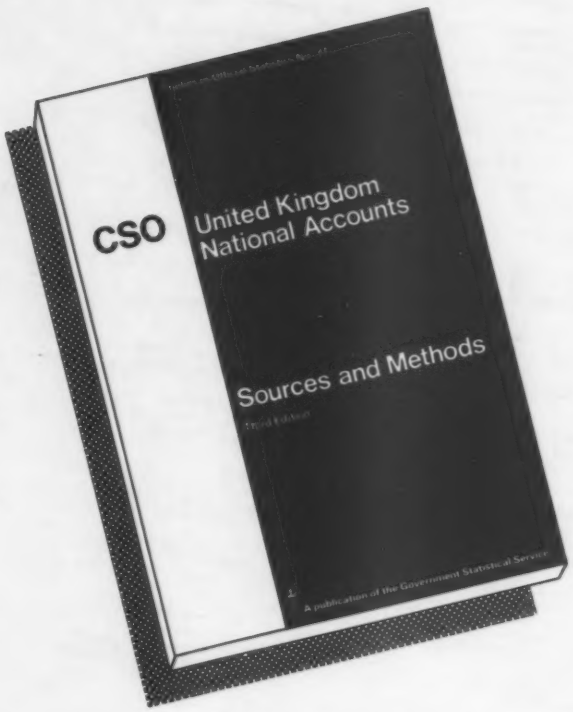

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